Daily Report

Latin America

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Mexico

Members of the National Action Party and the Party of the Democratic Revolution on 11 November "set the offices of the Electoral District Board in Matamoros, Tamaulipas on fire," reports Mexico City TV. The report adds that the police attempted to repel the attackers "with tear gas." The protesters claimed their attack "was the result of dissatisfaction over alleged electoral fraud."

Guatemala

On 12 November, Defense Minister General Jose Domingo Garcia disclosed the existence of a plan to topple President Serrano if the Consitutional Court voted against the government's September 1991 decision to acknowledge Belize's independence, ACAN reports. Gen. Garcia said "the Army is investigating the conspiracy while at another news conference Serrano confirmed that the plot had not yet been dismantled but he doubted the possibility of its success." Leaders of the Guatemalan Christian Democracy, the Union of the National Center, and the National Vanguard Party reiterated their support for the democratic process and "condemned any attempt" to alter constitutional order. A DCG source stated: "We cannot return to the past and even if we disagree with certain measures adopted by the current government, we will continue to support democracy."

Peru

Madrid EFE reports that President Fujimori and his family were "urgently" taken from the Government Palace to an "unspecified" military installation on 13 November. Carlos Orellana, head of the Presidency's Press Office, said that approximately 200 soldiers "carried out an unusual operation" in front of the Government Palace. Orellana speculated that the "unusual" operation "may be due to a stepping up of security measures to protect the president's life as Peru approaches the date of the Constituent Congress elections, scheduled for 22 November." The security forces discovered an abandoned minibus in front of the Government Palace, and they "are investigating the possibility that it may be loaded with explosives." Orellana "insisted" that "things are normal" at Lima's military installations and garrisons.

Summary of Reaction to Clinton Victory Noted

PA0911204992

[Editorial Report] Following is selected reportage from Latin America on official and unofficial reaction to the 3 November U.S. presidential election.

ECUADOR

Quito Voz de los Andes in Spanish at 1200 GMT on 5 November carries a seven-minute recorded interview with Flavio Almeida, OAS director general in Ecuador. In response to a statement that President-elect Clinton forgot to deal with Latin America in depth during his campaign, Almeida says: "He did not forget; the right term is that he avoided this, because his political insight told him that his possibilities of victory would be enhanced by an intensive debate on domestic U.S. affairs."

On the subject of whether Clinton will attribute more importance to human rights and the ecology than to direct economic cooperation with Third World countries, Almeida says: "The United States cannot be isolated from the world. At the same time he is dealing with U.S. problems, Clinton will surely have to deal with Latin American problems including, of course, the free trade agreement with Mexico and Canada."

Quito Voz de los Andes in Spanish at 1200 GMT on 6 November cites Ecuadoran economic analyst Juan Medardo Leon as saying that although Clinton centered his campaign on the domestic economy, his foreign policy will not vary in substance from that of the Bush administration. He says: "I also have the impression that Latin America may experience certain difficulties in the event that protectionist forces in U.S. politics and in the new U.S. Government place obstacles against the entry of products from our countries into the U.S. market." The economist says that he believes Latin American countries have some reason for hope as a result of the Clinton victory.

EL SALVADOR

San Salvador TCS Television Network in Spanish at 1200 GMT on 4 November carries a five-minute roundup with recorded comments by politicians on the Clinton victory. Mario Aguinada Carranza of the National Democratic Union says: "A Democratic administration will contribute to the consolidation of the peace agreements, strengthen international pressure in favor of democracy, defend human rights, and undoubtedly, pursue the demilitarization of society. Only conservative thinkers have had a reaction that is not only negative, but actually one of distress."

Roberto Viera of the Christian Democratic Party describes the Clinton victory as positive. He expresses the belief that Clinton will direct aid to El Salvador toward the areas of most need.

On the contrary, Armando Calderon Sol, president of the ruling Nationalist Republican Party and mayor of San Salvador, says: "I believe the statements made by Mr. Clinton are not at all favorable to my country, El Salvador, or to Latin American policy. I believe he has questioned and continues to question the creation of jobs in Latin America. He said in his speeches that he wants to create those jobs in North America—not in Latin America, and not in El Salvador. He has also questioned U.S. aid to the Latin American peoples. As a Salvadoran political leader, I am concerned over this speech by Mr. Clinton. I believe, and I hope, that this was merely a political speech by Mr. Clinton. That speech, however, is a source of concern to Latin American leaders and Salvadoran politicians."

San Salvador Canal Doce Television in Spanish at 0300 GMT on 5 November cites Edgar Palacios, president of the Permanent Committee for the National Debate on Peace, as saying the Democratic Party has always identified with El Salvador's social forces and opposed the granting of military aid during the past war. Of the Democrats, Palacios says in a recording: "They are our friends. As social forces, we feel we will have even greater input in the formulation of their policies."

San Salvador EL DIARIO DE HOY on 6 November on page 47 cites Edgardo Rodriguez Engelhard, leader of the National Solidarity Movement, as saying the party "hopes the new U.S. administration will intensively and impartially support the peace process." The article cites Ulises Gonzalez, president of the Salvadoran Cotton Cooperative, Limited, as saying both Republican and Democratic administrations have been "negative" for El Salvador.

San Salvador Radio Cadena YSKL in Spanish at 1200 GMT on 7 November reports that Presidency Communications Secretary Ernesto Altschul dismissed the possibility of any significant change in U.S. policy toward El Salvador with the Clinton administration. Altschul is cited as saying that all decisions will continue to be adopted in a bipartisan manner in the U.S. Congress.

HONDURAS

Mexico City NOTIMEX in Spanish at 2130 GMT on 4 November cites Ramon Custodio, president of the Honduran Human Rights Defense Committee, as saying: "The Democrats have been more careful about respecting human rights." He says Clinton will probably reinforce that policy. The report states that Custodio "predicted as 'almost certain' that Clinton will review the economic adjustment programs imposed on Latin America by U.S. financial organizations that have caused unemployment and hunger."

In a report in San Pedro Sula TIEMPO in Spanish on 4 November, page 4, Liberal Party presidential candidate Jaime Rosenthal Oliva says that Honduras needs to change the way it presents its positions to the United States. Rosenthal says the United States wants help in preventing drug trafficking and "will have to help us

maintain the apparatus needed to prevent that traffic." Rosenthal says: "I have no doubt that Honduras can receive, not only the same amounts, but actually big increases in the aid it receives from countries such as Japan, Germany, and the United States, if we make appropriate use of those resources to promote the economic welfare of the country's poorest classes, especially with the Democratic Party in power in the United States."

NICARAGUA

Managua Radio Sandino in Spanish at 1830 GMT on 4 November carries a two-minute recorded interview with legislator Ivan Salvador Madriz, who says that while good relations should be maintained with any U.S. administration, "a serious analysis will show that the major social advances in the United States have been made by the Democrats." He says he is very pleased by the Democratic win, because that party has "always tried to build, or perfect, a democracy with social justice." He says the Clinton victory will "definitely" influence the balance of political forces in Nicaragua, "because we cannot avoid the U.S. influence."

According to a roundup on Nicaraguan reaction by Edgard Barberena S., carried by Hamburg DPA in Spanish at 2356 GMT on 5 November, Alejandro Solorzano of the Nicaraguan Socialist Party says: "With Clinton's arrival in the White House, relations with Latin America, particularly Nicaragua, will improve." The report quotes Solorzano as being optimistic that with Clinton's victory, U.S. aid to Nicaragua will be released.

In the DPA report, Edmundo Castillo Ramirez, described as a "conservative," expresses the belief that Clinton's assumption of the U.S. Presidency "will bring no change with regard to the Managua government headed by Violeta Chamorro, and no change with regard to the $116 million that have been frozen at the request of Republican Senator Jesse Helms."

The report cites Clemente Guido, secretary general of the Nicaraguan Conservative Party, as saying: "One Yankee politician is as good as any other."

Julio Ramon Garcia Vilchez, secretary general of the Nicaraguan Social Christian Party, says he foresees no new flow of economic aid, because the new president "will first have to put his own house in order."

Panama City ACAN in Spanish at 2038 GMT on 4 November cites Victor Hugo Tinoco, former Nicaraguan deputy foreign minister and a member of the opposition Sandinist National Liberation Front, FSLN, who describes the U.S. electoral results as positive, "because the president-elect is more identified" with a policy of world peace. Tinoco is quoted as saying it is possible the new U.S. administration "will be able to reach an understanding with both the area's rightist and leftist political forces."

A Managua Radio Nicaragua in Spanish report at 1100 GMT on 6 November cites Miriam Arguello, former National Assembly president and a leader of the Popular Conservative Alliance, as saying she is sure U.S.-Nicaraguan relations will be very good.

Managua BARRICADA in Spanish on 6 November on page 9 publishes an article by Oscar Rene Vargas that views the Clinton victory from the standpoint of its impact on the Chamorro government. After noting that the Reagan administration had augmented the relative importance of Latin America in the overall U.S. foreign policy agenda, the writer says: "The Clinton administration will tend to return the relative importance attributed to Latin America to its former (post-World War II) level, which will allow greater latitude for internal negotiation without so much overt pressure from the United States." He adds that this does not mean the United States will cease its attempts to establish a new political, economic, and social model in the Central American area, since this area has been historically the "Mediterranean Sea of the United States."

PANAMA

Panama City Radio KW Continente in Spanish at 1200 GMT on 4 November carries recorded comments by Panama City Mayor Omaira Correa, who says there is no need to be concerned about compliance with the Panama Canal Treaties because the treaties were signed with the U.S. Government and are binding on all U.S. presidents. She expresses concern over Clinton's campaign pledge to devote more time to domestic than to international issues. Correa says if Clinton applies this to economic matters, "there will be fewer resources with which to help Latin America."

A report by Juan Pritsiolas in Panama City EL PANAMA AMERICA in Spanish on 5 November on page 2A quotes Ray Bishop, secretary general of Local 907, a union of U.S. Department of Defense employees in the canal area, as urging Panamanian President Guillermo Endara to "take advantage of this good opportunity" to negotiate with Clinton for "a more suitable date" for reversion of U.S.-controlled areas to Panama.

Panama City Radio KW Continente in Spanish at 1200 GMT on 6 November cites Legislator Gilberto Culiolis, who says Clinton's election will be "beneficial" to Panama. A report by Hermes Sucre Serrano in Panama City LA PRENSA in Spanish on 8 November on page 4a cites Legislative Assembly President Carlos Lucas Zarak as saying: "Panamanians need not be concerned over the change of power in the United States, because the Democrats have always been better friends to Latin America."

In the "Comments on Events" column in Panama City CRITICA LIBRE in Spanish on 7 November on page 4 columnist Luis Raul Fernandez says: "Let us hope President Clinton will not be like his fellow party member Jimmy Carter, who was a complete disaster as a president." Fernandez says Panama does not know what

to expect from Clinton, "especially in regards to the presence of U.S. troops in Panama before the year 2000 and bilateral trade."

VENEZUELA

Mexico City NOTIMEX in Spanish at 0144 GMT on 5 November cites a communique issued by Salvador Arriola, secretary general of the Latin American Economic System, SELA, in which he expresses confidence that the Clinton administration "will promote better economic relations between the United States and the American and Caribbean nations." The SELA communique expresses hope that the new U.S. administration will "adopt initiatives that make it possible to overcome the serious obstacles that currently exist in the way of increasing trade between the region and industrialized countries."

Madrid EFE in Spanish at 0218 GMT on 5 November carries comments by Jose Rodriguez, president of the Foreign Policy Commission of the Venezuelan Chamber of Deputies. Rodriguez says Clinton's victory provides no reason to rejoice because, he says, the Clinton-Gore administration plans to impose taxes on foreign companies operating in the United States, "which affects certain affiliates of Venezuelan Petroleum," as well as to reduce oil imports, "which worries us because oil is our main product and the United States our main market."

Caracas Venezolana de Television Network in Spanish at 2250 GMT on 4 November broadcasts recorded statements by Venezuelan legislators on the Clinton victory. Ramon Jose Medina, chairman of the Energy Committee, says the fact that Clinton has pledged not to impose taxes on gasoline sales is important to Venezuela. He says, however, that "there might be a revival of discussion of taxes on products that cause pollution." He adds: "The link between energy and environmental issues in the Clinton-Gore program will open great possibilities for Venezuelan oil, because Alaska will not be exploited. However, Venezuela may be hurt by the imposition of taxes for ecological reasons to improve the carbon dioxide picture, which might cause Venezuelan oil to be rejected."

Deputy Ramon Guillermo Aveledo says in the same report that there may be some unfavorable economic results for Venezuela as a result of the taxes proposed by Clinton and Gore.

Further Reaction

PY1111144092

[Editorial Report] The following are reports monitored from Southern Cone countries on lower-level official and unofficial reaction to Democratic candidate Bill Clinton's victory in the 3 November U.S. presidential elections.

ARGENTINA

Buenos Aires LA NACION in Spanish on 5 November carries on page 11 of section one, a 300-word unattributed article on reactions by several Argentine politicians to Bill Clinton's victory in the U.S. presidential elections. Cordoba Governor Eduardo Angeloz believes that U.S. policy for the Southern Cone will not be modified. Chamber of Deputies President Alberto Pierri says that the change in Washington "will not change the excellent state of our bilateral relations." Radical Civic Union, UCR, Senator Luis Leon does not expect major changes in the U.S.-Argentine relations, while in turn UCR Senator Hipolito Solari Yrigoyen notes that "the ultraliberal [ultraliberal] economic line imposed by the Reagan administration, and followed as well by Great Britain's Mrs. Thatcher, has come to an end," and that "Americans are aware of the seriousness of the situation, and have chosen a humanized capitalism." Presidential Secretary General Eduardo Bauza believes the two countries "will continue to maintain excellent relations." Justicialist Party Senator Pedro Molina believes that Clinton "will try to find new ties with Latin America, which will promote some form of economic development different from the one we are currently experiencing."

BOLIVIA

La Paz Television Nacional Network in Spanish at 0000 GMT on 5 November carries a 4-minute report on reactions to Bill Clinton's election as president of the United States.

Ministers and congressmen agree that the new government of the world's most powerful country will not change its foreign policy, and that aid for the struggle against drug trafficking must be increased.

The report cites La Paz Mayor Julio Mantilla, who says that "Clinton's election paves the way for new bilateral relations characterized by understanding and respect."

Nationalist Democratic Action Vice President Jorge Landivar states that the election of Democrat Clinton "represents an imposition of change in the United States." He notes that the Bush administration had concentrated its attention on Bolivia as never before, and that Democrats have always shown a willingness to cooperate with Bolivia and with other Latin American countries. He hopes that this new administration "will favor Latin America, and especially Bolivia."

Senator Jorge Inchauste says that Clinton's victory should offer some hope to Latin Americans, and especially to Bolivians.

Senator Gonzalo Penaranda says that the elections "have shown us some truly negative aspects with respect to the repeated mudslinging intended to deprive the contender of votes." He believes that despite this negative side, the results were interesting, as a candidate with a youthful way of thinking will now be heading the world's most powerful country.

BRAZIL

Rio de Janeiro O GLOBO in Portuguese on 5 November carries on page 20, in the "Economic Panorama" column by Miriam Leitao, a 400-word article entitled "Ricupero Optimistic." The article notes that Rubens Ricupero, Brazilian Ambassador to the United States, does not believe that Bill Clinton's victory in the elections will harm U.S. relations with Brazil. Ricupero says that the main points of trade conflict with the United States have been solved and that U.S. sales to Brazil increased 22 percent this year, and claims "it is unfair to characterize the Democrats as always being more protectionist." Ricupero concludes that that a growth in the U.S. economy would "inevitably increase international trade," and that both Democrats and Republicans favor reducing the burden of their debtors.

PARAGUAY

Asuncion ABC COLOR in Spanish on 6 November publishes on page 12 a 700-word unattributed commentary on the election of Bill Clinton as president of the United States.

The commentary notes that George Bush had to face two main criticisms: first, that he "had not been exhibiting the attitude needed to confront the conditions created by the collapse of world communism;" and second, that "his strength was in foreign, and not in domestic affairs, as the United States had been suffering a lengthy economic recession."

The commentary adds that the role of world power has "placed heavy burdens on the country since the end of World War II," adding that military spending was "one of the main reasons behind the huge U.S. budget deficit."

The article says that it would be "indispensable for the United States to return to a reasonable balance between revenues and disbursements," make its "production more competitive, and reduce its foreign debt, the largest in the world."

The commentary praises the present renewal in that "the fresh air brought in by the new leaders will maintain the vitality of the political system," adding that "the healthy inclination of the U.S. electorate to rotate rulers in the White House can only strengthen the republican system." The commentary also warns that the bipartisan system might be in danger because of Ross Perot's surprising showing.

The commentary concludes: "For the world it will be important to see whether the Keynesianism and protectionism attributed to Mr. Clinton, and particularly to his running mate Albert Gore, are real or simple ghosts fluttered by his adversaries."

PERU

Lima EL PERUANO in Spanish on 4 November carries on page A3 a 250-word unattributed report covering rections to Bill Clinton's electoral victory in the United States. The report first cites Jaime Yoshiyama, leader of the New Majority Movement-Change 90, as expressing "his confidence that the government of U.S. President-elect Bill Clinton will continue to support the economic development of Peru." According to the report, Yoshiyama said that "Peru's rejoining the international financial system, and the arrest of Shining Path leader Abimael Guzman, have created an atmopshere of confidence among local and foreign investors." The report then quotes Yoshiyama as saying that "fresh funds will come" in 1993.

The report also cites former Foreign Minister Carlos Torres y Torres Lara as saying that "Democrats are generally in favor of supporting underdeveloped countries," although according to the report, Torres y Torres Lara also noted that "there should not be too many expectations over the outcome of the U.S. elections."

Lima EL COMERCIO in Spanish on 4 November carries on page A9 a 350-word unattributed article reporting business leaders' reactions to Bill Clinton's electoral victory. The article begins by citing Exporters' Association President Eduardo McBride as expressing "concern over the policy that Clinton will adopt with Latin America, especially in the export promotion area." According to the article, McBride said that "the Democratic Party leader has said that the United States should not aid countries in promoting their exports to the U.S. market," adding that the "revision of the free trade agreement signed by the United States, Mexico, and Canada, which Clinton announced during his electoral campaign, is a step backward."

The article then cites National Industries Association President Luis Vega Monteferri as expressing his "concern over the statements that Clinton made during his electoral campaign, when he said that he will promote U.S. domestic growth rather than investment in Latin American countries."

The article then cites Gonzalo Garland, president of the Economic Council for the Pacific Basin, as saying that "Clinton's victory will make Peruvian entrepreneurs attach more emphasis to the possibilities offered by the Pacific Basin, because the president-elect has announced that he will protect his country's industry."

Lima EL COMERCIO in Spanish on 5 November carries on page A5 a 600-word unattributed article noting that candidates to the Democratic Constituent Congress believe that "relations between Peru and the United States will not undergo major changes under the Democratic administration of U.S. President-elect Bill Clinton." The article quotes former Foreign Minister Carlos Torres y Torres Lara as saying that Peruvian-U.S. relations "are stable, and cooperation programs have been provided with budget allocations and are being implemented." Torres y Torres Lara is further cited as having said that "there must be new talks with the Clinton administration" concerning "economic aid,

assistance, the environment, and human rights." Concerning drug trafficking, the article quotes Torres y Torres Lara as saying that "I don't think there will be major changes in the area."

The report then quotes Po¿?ar Christian Party leader Celso Sotomarino as saying that "I would not be surprised if Clinton turns out to be a chief of state with inclinations toward good relations with Latin America, but they always expect signs of reliability with respect to commercial investment or donations, among other concerns."

Four Countries To Protect South Atlantic Ecology

PY1211195492 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1315 GMT 12 Nov 92

[Text] Buenos Aires, 12 Nov (NA)—Admiral Jorge Ferrer, the Navy chief of staff, has stated that the Governments of Argentina, Brazil, Uruguay, and Paraguay have agreed to expand the so-called South Atlantic Maritime Area (AMAS) [Area Maritima del Atlantico Sur], making it an intercontinental mechanism to defend the ecological reserves of the region, and an instrument for mutual security.

Ferrer made this announcement during an interview published today by the morning newspaper EL CRONISTA COMERCIAL. He noted that South Africa and Nigeria were invited to participate, and that the invitation will be also extended to the United States, the United Kingdom, France, Spain, and Italy.

Ferrer said: "The objective is to make the South Atlantic into an entity with its own legal mechanism established through a peace organization that can rationally exploit the resources and prevent an ecological damage. It will be also empowered to face security problems."

He said that there are "multi-metallic nodules" [nodulos polimetalicos] (all sorts of mineral resources), which have not yet been exploited "because of the excessive cost," adding: "this problem will soon be overcome by modern technology."

Ferrer said: "The expanded, oceanic, intercontinental AMAS that has been already implemented will protect these resources and its members through an organization that will also provide for mutual security."

Asked whether the expanding of AMAS would not separate Argentina from the rest of South America, Ferrer said that Argentina's fate is linked to that of the region. He added that Argentina followed the wrong international path during the [word indistinct] decade and lost the century. Ferrer said: "Argentina now wants to regain its place as a protagonist in the 21st Century. It does not seek to exclude anyone, on the contrary, it has deep South American roots."

Cuba

Letter to Butrus-Ghali Condemns Torricelli Law

FL1211125592 Havana Radio Progreso Network in Spanish 1200 GMT 12 Nov 92

[Text] An official document of the Cuban mission to the United Nations, which was delivered to UN Secretary General Butrus-Ghali on 11 November, calls the Torricelli Amendment an attack on the sovereignty, not only of the Cuban nation, against which it is aimed, but also of third countries that do not support the new law.

The document delivered to Butrus-Ghali says that the Torricelli Amendment establishes a terrible precedent for U.S. sovereignty by defining, in Cuba's case, the establishment of a system on the basis of a U.S. order.

Visa Denied to Health Minister For U.S. Meeting

PA1111040092 Havana Radio Havana Cuba in Spanish 0000 GMT 11 Nov 92

[Text] The U.S. Government has denied a visa to Cuban Health Minister Julio Teja who was to participate in Washington in the 120th Annual Convention of the American Public Health Association [APHA]. Teja is an APHA vice president for Latin America.

In remarks to PRENSA LATINA in Havana, Teja noted that, as on previous occasions, U.S. authorities denied him a visa despite many APHA efforts. To justify its denial, he said, Washington notes that I am a member of the Central Committee of the Communist Party of Cuba.

This policy, Teja added, is not only proof of the scorn the U.S. Government feels for the Cuban people's rights, but for our scientists whose entry into the United States has been repeatedly banned.

The speech that Teja had prepared for the annual convention will be read by Cuban Vice Health Minister Hector Terry who is currently in Washington.

Fidel Castro Meets With Spanish Communist Party

FL1111125692 Havana Radio Progreso Network in Spanish 1200 GMT 11 Nov 92

[Text] Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers, has met with a delegation from the Spanish Communist Party [PCE], headed by Secretary General Juan Ramos. In the course of the conversation held in a fraternal atmosphere, the delegation talked about activities of solidarity with Cuba which are being carried out in Spain and the decision to increase these activities in the future.

It has also been reported that Commander in Chief Fidel Castro has met with outstanding Argentine musician (Osvaldo Ubcliese), who was decorated with the Alejo Carpentier medal.

Vice Foreign Minister Meets With Chilean Officials

FL1111141792 Havana Radio Rebelde Network in Spanish 1255 GMT 11 Nov 92

[Text] Cuban Vice Foreign Minister Ramon Sanchez-Parodi visited the headquarters of the National Congress in Valparaiso City as part of his current working visit to Chile. Sanchez-Parodi has met with Senate President (Gavier Valdez) and they talked about current topics relating to both countries. He also met with Chamber of Deputies President Jose Antonio Viera.

French-Built Electric Plant Completed in Matanzas

FL1211154092 Havana Tele Rebelde Network in Spanish 0100 GMT 12 Nov 92

[Text] Representatives of the French company (Jetalson) and Cuba's Basic Industry Ministry have signed documents officially acknowledging the completion of the construction contract of Matanzas' Antonio Guiteras Electric Plant. This plant has the largest and most efficient generating unit in Cuba—330 megawatts—and consumes only 222.3 grams of fuel for every kilowatt-hour of energy produced.

The ceremony was attended by (Bernal Pollian), the French Embassy's economic and trade charge d'affaires, and (Jean Pierre de Georges), the president and general manager of (Jetalson), who stressed his satisfaction with the tier of cooperation developed between Cuban and French specialists. He also acknowledged the possibility of new contracts between his company and Cuban enterprises and added that they do not fear any reprisals from U.S. authorities.

Italian Electric Union Signs Cooperation Protocol

FL1111204792 Havana Radio Rebelde Network in Spanish 1800 GMT 11 Nov 92

[Text] The Italian electric company Enel, and Cuba's Electric Union have signed a cooperation agreement at the Basic Industry Ministry headquarters. At the signing of the cooperation protocol, engineer Miguel Martin Perez, the general director of Cuba's Electric Union, stressed the importance of this accord.

[Begin Martin recording] I believe that it is a victory and a very important step for cooperation and friendship between our two organizations, and that it opens the door for business development to the mutual benefit of our organizations and for technological cooperation.

As part of our goal to promote cooperation, a Cuban delegation will be departing for Italy within the next few

days to study, together with our Enel comrades, several offers of donations to our electric industry. We place the highest priority on this offer from a material aid point of view and as an expression of friendship from Enel to our organization. [end recording]

Engineer Franco Ariatti, the central vice director of Enel, added:

[Begin Ariatti recording] It cannot be discounted that in the future, other forms of cooperation might take place. These might include the construction of electricity generating, transmission, and distribution plants of interest to Cuba. [end recording]

Enel is Italy's major electricity organization. It is highly prestigious and recognized worldwide for its advanced technological level.

Government, Party Meetings With Vietnam Open

FL1211222692 Havana Radio Reloj Network in Spanish 2042 GMT 12 Nov 92

[Text] Today, Cuba and Vietnam began official government and party conversations, which were held in a fraternal atmosphere of mutual understanding through Jaime Crombet, Cuban vice president of the Council of Ministers, and Tran Duc Luong, Vietnamese deputy prime minister.

During the Cuban delegation's first work meeting, Crombet, member of the Central Committee of the Communist Party of Cuba, exchanged ideas with his Vietnamese counterpart on Cuba's and Vietnam's position in the defense and building of a socialist project. The Cuban leader, together with his Vietnamese hosts, analyzed the current state of bilateral relations and the desire for intensifying these realtions in the political, economic, and trade sectors.

At the conclusion of the meeting, Crombet met with (?Phan Van Tien), secretary general of the Vietnam Fatherland Front, the organization with the largest membership in Indochina.

Commentary Notes Raul Castro's Remarks on Spirit

PA1211121392 Havana Radio Havana Cuba in Spanish 0000 GMT 12 Nov 92

[Roberto Morejon Commentary]

[Text] Army General Raul Castro, minister of the Revolutionary Armed Forces [FAR] of Cuba, recently emphasized the Cuban people's spirit of strength at the current critical moments when the country's economy has been affected by the flare-up of the U.S. blockade and the loss of traditional trade partners. The drastic reduction of the country's purchasing power, which from 1989 to 1992 amounted to only 25 percent [as heard], and the necessity of purchasing petroleum under unfavorable conditions established by world market prices are two crucial factors involved in assessing the island's economy.

For more than 30 years Cuba had an advantageous exchange of sugar for petroleum with the defunct USSR. Nevertheless, the political changes that took place in that country ended the just treatment of one nation, an underdeveloped nation, by a nation with more resources. It then became urgent for Cuba to implement strategies for concentrating efforts and resources in top priority programs, such as the food program, and established what is known as the special period in peacetime.

Raul Castro said that in order to confront today's challenge, one needs to have iron nerves and equanimity. One cannot show the slightest sign of panic. Every day the majority of Cubans provide evidence that nothing scares them and show that they understand the objective reasons of the current difficulties. Others, however, fall prey to their own fatalism, as well as to their physical and spiritual shortcomings.

In his recent public statement, the FAR minister recalled that throughout history there have always been people who are indecisive, cowardly, and corrupt. There are always pretenders and traitors who join enemy ranks. Raul Castro emphasized that these individuals do not represent the true people—they negate the people themselves—but they cannot mar the heroic and sublime image of the hardworking people.

The statements by Raul Castro are in keeping with the feeling of the majority of Cubans at a time when Western media and the radio broadcasting from Miami to the island are amplifying statements made by persons who pretend they are breaking with their country, nationality, and culture.

It is true that those who leave Cuba go to the United States seeking a dream of prosperity—according to the capitalist model—that they would never achieve here. However, many people—the vast majority—remain on the island, as Raul Castro said, worthy of its heroic traditions.

Radio Director on Economic Effects on Media

PA1111200692 Mexico City Canal 13 Television Network 1240 GMT 11 Nov 92

[From the "University Presence" segment]

[Text] Radio Havana Director Milagros Fernandez talked about the difficult situation which the Cuban media faces, during statements given at the political sciences faculty in the National Autonomous University of Mexico.

One of the problems which seriously affect the Cuban people is the diminished publication of books, magazines, and newspapers. The shortage of paper has

resulted in the disappearance of publications; daily newspapers like JUVENTUD REBELDE and TRABAJADORES are now weeklies, and other newspapers—like GRANMA, the official media source of the Communist Party of Cuba—have also reduced the number of their copies.

Experiments are being made with sugarcane bagasse to manufacture paper, but the expected results have yet to be achieved. Due to the situation, radio stations on the island are now on-the-air newspapers, Fernandez stated.

Referring to media in Cuba, she said they are currently facing a difficult situation, because, rather than supplying resources to the media, the priority is to fulfill the people's basic needs. Milagros Fernandez said the media's impartiality does not exist and one of the media's current goals in Cuba is to defend the revolution.

She added that, to compound the situation, 50 radio stations—an equal number broadcasts locally—bombard the island with direct messages against the revolution and urge the people to rise and perpetrate sabotage.

[Begin Fernandez recording] The best way to counter this information is through the awareness our people have achieved. I think it is clear we cannot stop all those broadcasts from reaching Cuba. That alternative is out of the question. Nevertheless, I think they are hurting themselves when they broadcast such coarse messages to a population that is living a harsh reality. [end recording]

Referring to Radio Havana, she said it broadcasts to Latin America, the U.S., Canada, and the Mediterranean in nine languages, and it operates because of international solidarity. She issued an appeal to strengthen this solidarity by sending teletype paper, typewriter ribbons, and paper so Radio Havana does not reduce its broadcasts.

The round table was organized by the News Media Workers' Coordinating Board, the Promoter of Solidarity With Cuba, and the faculty of political and social sciences.

Cuba To Sign Convention Banning Chemical Weapons

PA1111042092 Havana Radio Havana Cuba in Spanish 0000 GMT 11 Nov 92

[Text] The Cuban Foreign Ministry issued communique on 10 November stating the government's decision to sign the convention on the prohibition, development, production, storage, use, and destruction of chemical weapons. The convention is being studied by the UN General Assembly.

In the communique, the Foreign Ministry stated that the decision was made after a careful analysis of the draft convention. It also referred to the island's firm stand in support of any disarmament measure that will lead to the elimination of nuclear, chemical, and biological weapons.

The signing of the convention on the prohibition, development, production, storage, use, and destruction of chemical weapons will begin in January 1993.

Medical Equipment Passes French Safety Tests

FL1211201092 Havana Radio Rebelde Network in Spanish 1800 GMT 12 Nov 92

[Text] Medicid-#3E, which evaluates all functions of the central nervous system, has just become the first Cuban equipment to pass safety tests abroad. The system has received the favorable endorsement of the laboratories of the (Cien) Institute in France. This system is aimed at neurophysiological studies.

* Stronger Penalties for Crimes Urged

93CA0016B Havana JUVENTUD REBELDE in Spanish 18 Oct 92 p 3

[Commentary by Soledad Cruz]

[Excerpts] Some 65.9 percent of all crimes are committed by persons under the age of 30, most in the 21-30 bracket. A substantial portion of those committing the crimes are under 16 and 30.6 percent of this group is made up of dropouts. [passage omitted]

Crimes Against Ourselves

In today's Cuba, anyone committing a crime hurts all of us and anyone who, either out of irresponsibility or negligence, creates the conditions permitting crime to occur, is guilty of neglect and should be judged with equal harshness.

Those who traffic in rice, steal soap from a warehouse or divert lard, who slaughter livestock or cause a container of imported goods to disappear, cause dozens of persons to suffer shortages of these very goods in their municipalities. Furthermore, individuals who buy the fruits of such robbery are deceiving themselves if they think they are resolving a problem because their own storehouse may be the next one to be affected by illegal practices.

Shortages and scarcities of essential products cannot justify the facile selfishness of obtaining them by illicit means, much less permit a caste of fat cats to grow rich by trafficking in the shortages we are made to endure and by taking advantage of the government's efforts to alleviate them. It would amount to trafficking in our own efforts in the field of agriculture or in our attempts to save on oil, that whole range of measures put into effect in order to survive and pull ourselves out of this slump.

Whatever the case, no one commits a crime alone. That is why it is of the utmost importance that all society, through its institutions, the family, the schools, and our political and mass organizations, pay particular attention, not only to the training of children and young people, but to the conduct of every person around us.

It is naturally not a question of meddling in the private lives of individuals, but of demanding of ourselves and all others the behavior and respect that we owe to the community to which we belong. There are striking cases of criminal activity on the part of the PNR [National Revolutionary Police] involving members of the party of the UJC [Union of Young Communists] or the sons or brothers of persons with such affiliations or even impeccable revolutionaries.

We must realize that ideological work, anticrime campaigns, and education all begin with the indispensable example. Many allege that their intense involvement in work prevents them from keeping up with what goes on at home, school, or in the neighborhood. Nevertheless, it is indispensable to make time for such daily needs and assign such tasks to all members of the family.

However, since the process of human improvement and the development of virtues are unfortunately not achieved by decree, all society must bring pressure to bear, starting with the administration of justice. Our laws, the courts, and prisons must make their impact felt on those who commit crimes. For certain population groups, prison has become a kind of scholarship they "win" and where they behave, learn a trade, are given passes, can enjoy periodic conjugal visits, and leave as full-fledged criminals.

Rehabilitation plans are highly praiseworthy, but they cannot be so benign that some are not afraid to go to jail. Nor can we neglect the need to differentiate between cases, different types of crime and the type of person who commits them, or to provide an opportunity to be reintegrated into society once one's debt is paid. The problem is to avoid the extremes of paternalism, which is as pernicious as any form of extremism.

It is true that our society has problems that result in certain forms of criminal conduct: housing problems, the resulting forced promiscuity, social groups that choose the fringe. However, of greater importance than these undeniably real problems is the desire for easy profit on the part of some and negligence on the part of others.

The police must not therefore bear all the blame. The UJC Congress was a visionary in this sense and urged a united battle against crime on the same massive basis that we waged the Literacy Campaign and the fight against delinquents and completed so many other tasks that have made us a people of winners.

Once again, our young people have a tall hill to climb, but they also comprise the vast majority of those who study, work, and are trained to continue our common task.

* Wholesale Price Increases Explained

93CA0016A Havana TRABAJADORES in Spanish 19 Oct 92 p 5

[Interview with Arturo Guzman, minister-chairman of State Committee for Prices (CEP), by Renato Recio; date and place not given; first three paragraphs are TRABAJADORES introduction]

[Text] Since 1 October, new concepts have been applied in our country to determine wholesale prices and, consequently, measure costs in economic units.

Not only will the changes, which may be described as radical, have an impact on the sphere of wholesale prices and rates, but they will also presumably affect the whole system of methods, procedures, and organizational structures governing the production, distribution, and sale of anything produced in our country.

Inasmuch as any change in wholesale prices will have a direct effect on the working life of the nation, TRABAJADORES deemed it appropriate to invite comrade Arturo Guzman, minister-chairman of the State Committee for Prices, to inform our readers about the recent measures being implemented by the body he heads.

[Recio] What are the basic principles governing changes in wholesale prices and rates?

[Guzman] Our country's leaders have decided to introduce into our national economy the real prices at which the country exports and imports goods. The current system of wholesale prices, designed for very different circumstances, makes it impossible to measure costs accurately in terms of the material and human resources invested in production.

We are a country with an open economy and have very little influence on international market prices. It is essential that we measure real costs as objectively as possible and that, in order to evaluate national efficiency, we take comparisons with other countries into account.

This approach marks a fundamental change and we must therefore emphasize that we are a small country that survives by virtue of the difference between costs and prices. Anything produced here must take into account the real value of what is used in the production process.

[Recio] Does this mean that wholesale prices are now going to fluctuate much more frequently than before?

[Guzman] Exactly, because they are subject to the dynamic of real prices affecting our economy. Since that is so, our exportable funds and products that take the place of imports will set domestic prices on the basis of foreign prices updated by our foreign trade.

[Recio] How will these measures affect consumer prices?

[Guzman] It is very important to note that no relationship whatsoever is being established between the changes being made in wholesale prices and the behavior of consumer prices.

It is even more important to reiterate the principle that in our economy, there will never be an automatic relationship between the two sets of prices.

We are not removed from events taking place in today's world and we understand perfectly well that in order to have an objective idea of our efficiency and ability to compete, we are forced to consider international prices in figuring our expenditures. However, with respect to retail prices, which are decisive in terms of the people's standard of living and application of the Cuban concept of social justice, we do pay heed and shall always pay heed to socialist principles of distribution as we interpret them.

This does not mean that we are forced to have absolute stability in each and every price we set for the people, but we do want to make it clear that retail prices are set based on other considerations.

[Recio] You have said that a period during which stable wholesale prices prevailed is being left behind. What will happen to what some call the excessive centralization used in determining and setting prices?

[Guzman] Well, on that point, I have to say that we shall maintain the centralized nature of the wholesale price policy and our supervision and control of that policy. In addition, wholesale prices on a whole range of basic products will continue to be regulated in a centralized manner.

However, the dynamic derived from the application of constantly fluctuating prices presumes the need to accelerate and extend the process of decentralization, which is what we are doing. Depending on individual factors, some prices will be approved by territories, organizations, unions, and enterprises. In short, the decision must be as closely related to economic circumstances as possible.

[Recio] What will be the immediate impact of the change on Cuban business?

[Guzman] First of all, there will be a financial redistribution between the budget and enterprises. This means that in cases where an enterprise had previously obtained the bulk of its consumable expenditures at outdated, subsidized prices, its financial situation will change a great deal immediately. The results of enterprises will be altered and the less efficient ones will experience higher costs.

This will be so because, since 1981, when we began to apply the General Wholesale Price Reform based on a philosophy of immobility, international prices have tended to rise.

The government was supplying enterprises with consumable expenditures and equipment at highly subsidized prices and they therefore appeared to be profitable. They were led to believe that they were performing well and made all manner of economic decisions based on a false cost analysis. Now we shall tell them: "These are your real costs and you must go by them."

In the final analysis, the Cuban economy as a whole will feel no impact from this measure, but the conditions will gradually be created enabling us to show more precisely which enterprises are being subsidized, which products should be subsidized and to what extent, which goods must be imported and exported, and at what prices it is reasonable to do so or not.

As we have said, consumer prices will not be destabilized, but in updating wholesale prices, we shall see the real amount of subsidies, as well as how much revenue the budget takes in and pays out for the various consumer goods and services going to the people.

In order to answer your question more precisely, I can say that Cuban business life will feel a multifaceted impact due to the fact that the changes will cause wholesale prices to rise an average of at least 50 percent in the coming months. We have mentioned the prime consequences. The rest, which may be many, I prefer not to list for reasons of space, allowing the reader to make his own analysis and complete my response.

Canadian Delegation Donates $40,000 in Medicine

FL1211145192 Havana Tele Rebelde and Cuva Vision Networks in Spanish 0100 GMT 12 Nov 92

[Text] On 11 November, the Canadian delegation participating in the Third Canada-Cuba Commercial Techniques Seminar being held in Havana presented a donation of over $40,000 in medicine to the Cuban Institute of Friendship With Peoples [ICAP].

Parliamentarian Gene Anderson, who heads the delegation of Canadian specialists and businessmen, said that an upcoming donation will include 25 buses and stressed the importance of increasing solidarity and trade with Cuba at a time when the United States is attempting to strengthen its embargo against Cuba.

[Begin Anderson recording] I do not think that Americans have any business in trying to dictate to us who our business partners should be. [end recording]

The delegation is composed of professors in marketing techniques, who are giving classes to Cuban specialists, and managers of Canadian companies who are exploring investment possibilities to establish joint enterprises in Cuba. The Canadian Ambassador to Cuba Julie l'Oranger also attended the meeting between the Canadian delegation and ICAP officials.

Roundup of Economic Activity Reported 27 Oct to 9 Nov

FL0111231592

[Editorial Report] The following is a compilation of reports on economic developments in Cuba carried on Havana radio and television between 27 October and 09 November.

Pinar del Rio Province Harvest Updated—The Los Palacios Agroindustrial Complex in Pinar del Rio Province has harvested more than 1 million of the 2.5 million quintals of rice it hopes to produce during the 1992 season. The complex is behind schedule in harvesting some 800 caballerias, because of heavy rains in the area and technical problems with the combines. Of the 147 combines in the complex, 122 are currently in working order and are harvesting at the rate of 11 caballerias per day. The Los Palacios complex has close to 2,700 caballerias planted in rice; Pinar del Rio is the third-largest rice-producing area in Cuba. (Radio Rebelde Network in Spanish 1800 GMT 27 Oct 92)

Coffee Harvest Up By 30 Percent—A Cienfuegos coffee farm has harvested a total of 7,217 cans of coffee in the first month of harvest, surpassing last year's plan by 30 percent. Reloj further reports that 1,500 out of 2,800 caballerias of sugarcane have been planted this month. Santiago de Cuba, Las Tunas, and Holguin are ahead of schedule, while Havana and Ciego de Avila are behind. The report adds that 64 caballerias are being planted daily. There is a need to increase that number to 90 to fulfill the plan. To date, 7,800 of 12,200 caballerias have been planted. (Radio Reloj in Spanish 2030 GMT 27 Oct 92)

Improved Sugar Refining Machines Installed—Tests by Santiago de Cuba scientists at the Dos Rios Sugar Refinery during the last harvest show that sugar extraction increases when magnetized water is used; for this reason, more than 600 magnetizers will be installed in the agriculture industry for the next harvest. (Radio Rebelde in Spanish 1255 GMT 28 Oct 92)

Holguin Steel Industry Updated; Harvest, Milk Production Updated—The Holguin Province "60th Anniversary of the October Revolution" factory, which produces cane combines of a wholly Cuban design, will deliver 60 Model Cuba-90 rice combines during the first months of 1993. The steelworking industry is planning to make two rice dryers, parts for a Spanish model combine, and other equipment.

Manuel Toledo Rodriguez, the Cuban Workers Federation secretary general for San Luis Municipality, Santiago de Cuba Province, reports that 106,000 quintals more tubers, grains, and vegetables have been harvested to date this year than in the same period in 1991. Toledo also says the El Alambre Farm, located between Palma Soriano and San Luis Municipalities—which has by itself already produced over 120,000 quintals—is outstanding in tuber production. Toledo adds that 30 Voisin Rational Grazing Systems have been introduced in San Luis Municipality and that at the El Boniatico Dairy Farm, where 11 liters of milk per cow are being obtained, the workers' salaries increase in accordance with the results they get.(Radio Reloj in Spanish 1500 GMT 28 Oct 92)

Cienfuegos Harvest Updated—Cienfuegos will use more than 28,000 oxen for the sugar harvest. One-third of the oxen will be used on the farms, the other two-thirds for distribution and plowing. Rebelde also notes that Melena del Sur enterprise has harvested 862,000 quintals of tubers and vegetables, adding that the goal is 1 million by December. (Radio Rebelde in Spanish 1800 GMT 28 Oct 92)

Villa Clara Province Cane Planting Updated—Villa Clara Province is in a tense sugarcane planting situation, with 1,034 out of 1,500 caballerias planted to date. As a result of excessive rain and limited resources, October has not been very productive and 466 caballerias still must be planted. (Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 29 Oct 92)

Pinar del Rio Planting Increase Noted—In Pinar del Rio, 14,000 workers are planting tobacco and sugarcane and harvesting coffee. The report adds that there is a 20 percent increase in winter planting of vegetables and tubers. (Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 30 Oct 92)

Pinar del Rio Harvest Updated—Pinar del Rio Province plans to plant 525 caballerias of tomatoes this year, of which 50 have been planted. To date, the province has harvested 380,000 quintals more produce than in the same period last year, despite the loss of over 600 caballerias to torrential June rains; the populace has received 10 pounds more tubers per capita than last year. Guantanamo Province has collected over 1.5 million cans of coffee beans. Niceto Perez Municipality has fulfilled 92 percent of its coffee production plan; Maisi Municipality has harvested 79 percent of its plan. (Radio Rebelde in Spanish 1800 GMT 30 Oct 92)

Cane Cutter Numbers Noted; Cienfuegos Harvest Updated—In Camaguey Province, 900 construction workers will participate in the coming sugar harvest as manual cane cutters. They have pledged to cut 200,000 arrobas of cane per day.

More than 7,500 cane cutters will participate in the coming sugar harvest in Las Tunas Province, including volunteers from the Cuban Workers Federation, Union of Young Communists, National Association of Small Farmers, as well as professional cane cutters. (Radio Rebelde in Spanish 1800 GMT 2 Nov 92)

Minas de Matahambre Municipality has become the first minicipality in Pinar del Rio Province to attain self-sufficiency in medicines, cosmetics, cleansers, and other household products made from readily available plants and minerals. Production of tubers and vegetables in Cienfuegos Province has increased in spite of a 40-percent drop in fuel consumption.

Sancti Spiritus Rise Processing Updated—In Sancti Spiritus approximately 1.3 million quintals of rice have been processed without consuming fuel. The husk of the cereal is used in the ovens and the province hopes to finish the year by saving 1,000 tons of fuel. Rebelde notes that these ovens can produce 1,200 quintals daily. (Radio Rebelde in Spanish 0000 GMT 3 Nov 92)

Bagasse Fueled Thermoelectric Plant Planned—The first thermoelectric plant in Cuba to be fueled by cane bagasse is going to be installed at the Ciro Redondo Sugar Refinery in Ciego de Avila Province. (Radio Rebelde in Spanish 1000 GMT 3 Nov 92)

Spanish Enterprise Signs Cooperation Accords—A Spanish enterprise, Casa de Madrid, participating in the international fair, expressed solidarity with Cuba, condemned the intolerable conditions of the embargo and the Torricelli Law, and signed approximately 10 cooperation agreements with Cuba, in the fields of biotechnology, culture, tourism, and agriculture. (Radio Reloj in Spanish 2030 GMT 5 Nov 92)

Ciego de Avila Cane Planting Updated—In Ciego de Avila, state and cooperative workers are weeding more than 21,978 caballerias of sugar cane. The reports adds that 1,062 caballerias of cane have been planted this month. (Radio Progreso in Spanish 1100 GMT 7 Nov 92)

Granma Harvest Schedule Noted—Harvest preparations in Granma Province, where the sugar harvest is scheduled to begin by 1 December. Cutting, scheduled to begin on 29 November, is early with a view to an April conclusion. Winter planting in the province continues. Conditions include excessive moisture. (Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 9 Nov 92)

Antigua and Barbuda

Foreign Minister Bird Criticizes Caricom Inaction

FL1211022392 Bridgetown CANA in English 2150 GMT 11 Nov 92

[Text] St. John's, Antigua, Nov 11, CANA—Antigua and Barbuda's foreign minister Lester Bird said last month's Caribbean Community [Caricom] summit "failed to act" on the recommendations in the West Indian Commission's report.

Bird, who led Antigua and Barbuda's delegation to the summit in Trinidad, in particular rapped the rejection of the proposal for a Caricom Commission to ensure timely implementation of summit decisions. This proposal, a response to longstanding criticism that the non-implementation of summit decisions was retarding the progress of regional integration, was the centrepiece of the West Indian Commission's report. Bird, speaking Tuesday [10 November] night at a public forum organised by the Christian Council, noted the proposed Caricom Commission would not have had the clout of a body like the European Commission, executive arm of the European Community.

"What then was the threat posed to heads of government? None that I can see," Bird said. "Yet," he added, "permeating the whole ambiance of the meeting was a fear that the commission would somehow be equal to the heads of government without being elected and would somehow usurp their authority...." The heads opted instead for a Caricom bureau which will be made up of the Caricom secretary-general, and three heads of government. Sceptical that the bureau will be effective, Bird told the gathering he found "it difficult to see how (decisions) will be implemented without a mechanism for ensuring that they are followed up effectively." In the meantime, Bird said threats to well-being of the Caribbean and the means of countering them were still to be addressed in a satisfactory manner. Bird said the existing system of decision-making at the national and regional level within Caricom was "deeply flawed."

"It is an unrealistic and impractical approach to problem-solving and decision-making in a world which has embraced economic alliances, mergers, and the creation of single regional markets as a means to survive." Bird called for new ideas and a vision to further deepen the integration process. ".... It has to be a vision shared by more than one leader, a vision supported by more than one Community." But he asked: "Where, however, are such leaders? And where are such communities?" he asked. "Perhaps, if we act with some commonality, we might begin the process of change," the Antiguan minister said.

Barbados

Government Plans To Divest 3 State Enterprises

FL1111165192 Bridgetown CANA in English 1450 GMT 11 Nov 92

[Text] Bridgetown, Barbados, Nov 11, CANA—The Barbados Government, in a surprise reversal of policy, has announced plans for the partial divestment of the state-owned Caribbean Broadcasting Corporation [CBC] which has a monopoly on television here. Deputy Finance Minister David Thompson, in a statement to Parliament on the government's privatization policy Tuesday [10 November], said 20 per cent of CBC, the Insurance Corporation of Barbados, and the newly formed Caribbean Aircraft Handling Company, would be put up for sale.

The current government previously had said no repeatedly to calls for the divestment of CBC which also operates two radio stations. Responding to Thompson, opposition leader Henry Forde called for the full divestment of CBC, contending that "if there is to be genuine freedom of expression, government must relinquish its corporate and day to day management of the affairs of the corporation."

Successive governments have been accused of manipulating CBC to further the interests of the party in power. Forde also called for an end to CBC's monopoly on

television through the granting of licenses for the operation of other stations. Besides a free public channel, CBC offers four U.S. television channels for viewing through a subscription service.

The Sandiford government has been pursuing privatization as a central element in an economic stabilization programme introduced a year ago. So far, the government has privatised its holdings in Barbados External Telecommunications, Barbados Telephone Company, and Barbados Mills.

Other companies in which government shares are either up or are being readied for sale include Barbados Dairy Industries Ltd which operates the Pine Hill Dairy, the transport board which runs the National Bus Service, Heywoods Hotel, National Petroleum Corporation, Arawak Cement Company which is jointly owned with the Trinidad and Tobago Government, and the Barbados National Oil Company.

Thompson reiterated that in some cases, Barbadians would be given first option to purchase government shares up for sale.

"In other cases, market conditions and other considerations may dictate that the majority interest in the enterprise be sold to foreign investors," he added.

"Where enterprises are sold to foreign investors, the government will seek to retain a minority interest."

Dominica

Dominica Trade Minister on OECS Economic Issues

FL1111162192 Bridgetown CANA in English 1249 GMT 11 Nov 92

[Text] Roseau, Dominica, Nov 11, CANA—Dominica's trade, industry, and tourism minister, Charles Maynard, has suggested Organisation of Eastern Caribbean States (OECS) heads of government take a long, hard look at issues affecting the region, with a view to giving them practical attention. Speaking ahead of the OECS heads of government November 19-20 meeting in Montserrat which will be preceded by the council of (trade) ministers meeting, Maynard said that leaders and officials of the sub-region needed in the present state of trade and economic affairs, to do more than just go through agenda items.

The trade ministers who meet in Plymouth will have before them issues including an update of OECS trade, the situation with the Common External Tariff, agricultural diversification, and an OECS strategy for the development of the small enterprise sector.

"I feel sometimes that we put down a number of subjects on our agenda, but we have, I believe, to see these things in terms of an indepth search for solutions—not going through an agenda as we go through the motions as it were, on a list of items," the trade minister said.

Referring to the Common External Tariff, the U.S. and European Community row on agriculture and OECS talks with the French overseas territories and Puerto Rico, he said:

"We need to put all these things together and to do an indepth review of where we are, then come up with strategies and programmes and plans of action for us to tackle these problems as an OECS in the first instance, and within Caricom (the Caribbean Community)," Maynard said.

He remarked that much of what is happening today changes the relationship of the OECS and the rest of Caricom "and we have to re-define it, and determine how it is going to serve our best interest."

Dominican Republic

Senate Opposes Japanese Plutonium Shipment

FL0411211792 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 4 Nov 92

[Text] The Japanese freighter Akasuki Maru, which will pass through the Mona Passage with a lethal cargo of plutonium on its way back to Japan, is now navigating through international waters. The ship is headed for the French port of Cherbourg, where it will take on 1.5 tons of plutonium from irradiated fuels for Japanese nuclear power plants.

Last night, the Senate of the Dominican Republic approved a resolution which rejects the use of Caribbean shipping routes to transport the plutonium. (Jean Lutieri), the spokesman for the world ecological organization, Greenpeace, said that if one grain of plutonium is accidently lost while the ship is being loaded, half the population of Cherbourg will have to be evacuated.

Grenada

GULP Calls on 2 Government Ministers To Step Down

FL1111184092 Bridgetown CANA in English 1756 GMT 11 Nov 92

[Text] St. George's, Grenada, Nov 11, CANA - The opposition Grenada United Labour Party [GULP] has called on two former GULP officials to step down from government, as it tries to force the Nicholas Brathwaite administration out of office before year-end.

Labour Minister Edzel Thomas and Junior Health Minister Lawrence Gibbs won their seats on a GULP ticket in the 1990 general elections. The two later crossed the floor to give the National Democratic Congress [NDC] a majority after the NDC had won seven out of 15 seats.

Former Grenada Prime Minister and GULP leader Sir Eric Gairy made the call for the two to quit the government. Sir Eric accused the government of not having enough programmes for Grenadian youth, while "there are rich, wealthy countries around the world that would help Grenada."

Haiti

Deputy Blames Government for Intensifying Embargo

FL0911212692 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 9 Nov 92

[Excerpt] Deputy Denis St. Fort has criticized the Public Works, Transport, and Communication Ministries for having done nothing to repair the section of road from Port-au-Prince to Port-de-Paix which is now in bad condition. The Bassin Bleu deputy says he has been taking steps for 46 days, but the authorities have never given him an answer.

Deputy St. Fort has also criticized the behavior of several other ministers of the consensus government, not to mention deputies and senators whom, he says, have hindered the country. According to St. Fort, the parliamentarians have increased the embargo against Haiti. [passage omitted]

OAS Seeks UN Assistance in Restoring Democracy

FL1211174592 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 12 Nov 92

[Text] Several diplomats in the OAS think the resolution, recently adopted by the OAS Permanent Council, to ask the United Nations to help it resolve the Haitian problem shows how ineffective the OAS feels about the Haitian situation. In this resolution, adopted on 10 November, the OAS Permanent Council asks that the UN member countries help the Organization with its efforts in restoring democracy to Haiti and take other measures against the current power. Those measures include the application of a weapon and petroleum embargo against Haiti and the freezing of all Haitian assets abroad. The OAS Permanent Council members, who adopted this resolution, also asked that the United Nations participate in the OAS civilian mission working now in Haiti.

Several days before the 10 November meeting, the OAS Permanent Council was discussing the necessity of bringing the Haitian file before the UN Security Council. As no agreement was reached on that issue, the permanent council adopted this resolution on 10 November.

The Mexican representative, (Carlos Pujalte) said the government of his country is happy that the OAS Permanent Council did not send the Haitian file to the UN Security Council which he thinks is a body intended only to solve problems that threaten international peace and security. (Pujalte) further stated that the Mexican Government has signed the 11 November resolution, but that it has many reservations about it as it considers that—rather than governments—it is only people who are always the victims of embargoes.

Another diplomat, the representative of the Dominican Republic, Eladio Knipping-Victoria, who attended Tuesday's meeting, stated that his country does not consider the current situation in Haiti a threat to the Dominican Republic's security. Representatives of several Caribbean Common Market [Caricom] countries and several Central American countries supported Tuesday's resolution which was also supported by the representative of Suriname and Haitian Ambassador to the OAS Jean Casimir.

In light of the fact that OAS sanctions were taken against Haiti over 13 months ago, many diplomats point out that this organization is very far from reaching its goal which is to reinstate the ousted president to power. Other diplomats say the step taken by the OAS in the meeting shows that the Organization feels it cannot solve the Haitian problem by itself. This is the opinion of Jamaican Ambassador to the OAS (Richard Bernard) who added that in this case, the OAS must put its pride aside and look for all means so democracy can be restored in Haiti.

In this resolution, the OAS Permanent Council members acknowledged that they they must do something to alleviate the sufferings of the Haitian people. Therefore, ask all countries that are members of the United Nations, the OAS, and the other international organizations to increase the humanitarian aid they gave to Haiti in the past. They require that this aid be distributed by the nongovernmental organizations.

MIDH Deputy Reacts to OAS UN Resolution

FL1311004092 Port-au-Prince Radio Metropole in French 1700 GMT 12 Nov 92

[Italicized passages in Creole

[Text] The Movement For the Establishment of Democracy in Haiti, MIDH, Deputy Antoine Joseph reacts to the OAS resolution. On November 11, the OAS solicited UN support for intensifying the embargo against Haiti. The Petionville deputy considers this resolution a confession of ineffectiveness by the OAS, which is unable, according to him, to solve the Haitian crisis. Antoine Joseph also considers this resolution a failure for the OAS and for the current government. Ansy-Rose Resignac has the following report:

[Begin recording] [Resignac] According to the Movement for the Establishment of Democracy in Haiti, MIDH, deputy, the OAS resolution is motivated by its inability to control the embargo or solve the Haitian crisis. That is why Deputy Antoine Joseph considers this

resolution a confession of ineffectiveness from an organization that, he stated, is soliciting the support of a more organized institution, the UN.

The Petionville deputy shares the position of Mexico, deeming that it is not necessary to persist in a measure that reveals itself as inefficient. The embargo, according to him, is only impoverishing the poorest people and above all, is incompatible with the establishment of democracy. Antoine Joseph considers this OAS resolution as much a failure for the OAS as for the Haitian government.

[Joseph] *I consider it a failure because, at a time when we thought we had given a lot to the OAS, have sat down with them, have received them here, we have allowed the OAS to investigate the situation instead of issuing its report on it. We never knew what happened in their meetings with the Haitian authorities; we did not see what came out of it. We instead realize that the OAS is again going one way [as received]. I say yes, it is a failure for the government. but it is also a failure for the OAS because the OAS, without realizing it, is intensifying the positions of the political groups in Haiti, the forces in the country that are opposed to Aristide. How will the OAS feel negotiating now when it is taking measures against their own interests, after they had opened a space for dialogue. It is a failure for the government, but it is not a victory for the OAS. It is not a victory for the lavalas camp, nor for President Aristide, because such an action results in radicalizing the position of those who are opposed to the embargo. I have always supported the return of President Aristide, but I have never been in favor of the embargo.*

I had always thought that the embargo could not help solve the problem. On the contrary, the embargo is impoverishing a country that is already poor, and this poverty is incompatible with the establishment of democracy. I think that the OAS is putting itself in a position that is more difficult, in which no negotiations can take place. Are they now preparing themselves for an intervention [words indistinct]. I do not understand.

[Resignac] Deputy Antoine Joseph, though a member of the Alliance for Parliamentary Cohesion, has a rather different viewpoint from the one of the other members of [word indistinct] regarding the budget. However, it comes down to the same result, and he is ready to accept a summons from Bazin's government in order to vote for the budget bill. Joseph feels that the consensus government is not constitutional; therefore the summons will not be either. The MIDH deputy believes, however, that in the current situation, in which we are trying to return to constitutional order, it is necessary to let the executive take care of current matters.

[Joseph] This summons will not be constitutional, but it will be within the same framework of decisions we made during the country's crisis. The same deputies who have worked on the budget had accepted that the budget came from the minister of the de facto government. They agreed to work on the budget, but do not agree to vote. To quote Gregoire Eugene, some parliamentarians claim to be from the left, but they never voted for a law with socialist tendencies. Again, to repeat Senator Franer's sentiments, sometimes I do not feel confortable; I feel ashamed of be part of the Parliament.

[Resignac] Deputy Antoine Joseph finally made a proposal to solve the crisis in the Senate. According to Deputy Antoine Joseph, MIDH Senator Franher Jean-Baptiste is endowed with enough ethics to preside over the Senate while awaiting the elections for the renewal of a third of it members. Antoine Joseph, who had said he was ashamed of being a deputy is therefore choosing another MIDH member who had also stated that he was ashamed of being a senator. Is that the general public's opinion regarding the Haitian Parliament? [end recording]

MDEH Holds News Conference; Makes Proposals

FL1211230592 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 12 Nov 92

["Report" by unidentified reporter on news conference by the Movement for the Economic Development of Haiti [MDEH] in Port-au- Prince on 11 November—recorded; italicized passages in French]

[Excerpts] [Reporter] The 1987 Constitution does not permit the establishment of democracy in Haiti. The Constitution must be eliminated and replaced by another. This is the proposal made by MDEH leaders during a news conference in the capital yesterday morning. According to MDEH leaders, the officials must scrap the 1987 Constitution because this constitution is the cause of all that has happened in the country since 29 November 1987. The MDEH officials, who believe that only economic and social development can permit the establishment of democracy in a country, pointed out that none of the governments that have led Haiti since February 1986 have done anything to help the country's economic progress. The MDEH leaders did not forget to severely criticize the consensus prime minister who is working to create an organization to establish elections in Haiti despite the country's situation. The MDEH says that since 1987, elections have never been productive in Haiti.

[Unidentified speaker] [passage omitted] *It would be criminal for political leaders to weaken the position of the current government or cause its overthrow. The current government must also avoid what could be interpreted as corruption attempts or electoral maneuvers.*

[Reporter] To correct the country's negative situation, MDEH quoted rules that the Army and political leaders should respect. The MDEH thinks that—as a member of the country's social body—the Army has a role to play in Haiti's political life provided that it stops staging coups. As for the political leaders, the MDEH has proposed that they make two decisions: first to appoint Marc Bazin

provisional president of Haiti; and second, to eliminate the 29 March 1987 Constitution.

[Speaker] *The political leaders must arm themselves with courage, willingness, selflessness, and especially with patriotism to make two decisions that are essential at this time—without demagogy and without a profit motive [words indistinct]. [passage omitted] The first decision is to set a time limit for the Bazin government by conferring on him the dual titles of prime minister and provisional president. That will [word indistinct] the duality prime minister-president. [passage omitted] The second decision is to abolish the 1987 Constitution and replace it with a new constitution tailored for the entire Haitian people, but with an important clause stating that President Bazin may not run in the next elections.*

The Army is part and parcel of the nation. It must obey the laws adopted in the interest of the country without hesitation. The Army and all its components must become integrated into national politics. Its general staff must, as a matter of course, participate in the major political discussions that will alter the country's path. The Army, however, must stop staging coups, for its own good and that of the entire Haitian nation. [passage omitted]

[Reporter] The MDEH leaders called a news conference yesterday morning. The MDEH held this news conference to state its position on the Haitian crisis and to improve Haiti's political and social life. The three officials around the conference table were Polynice Bastien, president; (Daniel Petit), vice-president; and Emmanuel Mesidor, secretary of the MDEH.

BP-FNCD, ACP Reach Stalemate on Senate Office

FL1311005892 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 12 Nov 92

[Text] After the first series of meetings in the Senate of the Republic between the National Front for Change and Democracy Parliamentary Bloc [BP-FNCD] and its allies, and the Senate office about a possible reshuffle in the current office.... [pauses] The first series of meetings have ended, while no compromise has been reached because both parties have maintained their stands. The BP-FNCD and its allies say the office must be changed, whereas the Alliance for Parliamentary Cohesion [ACP] bloc and the office, that are in majority, say that the office must and will remain unchanged. This situation has hindered the Senate sessions, which have not been held since 29 October, when Sen. Franher Jean-Baptiste proposed that the two parties negotiate.

The BP-FNCD and its allies, a total of some 12 senators, say they will deter the Senate until the reshuffle is made. The entanglement in the Senate has occurred at a time when the country is expecting enactment of the laws on territorial communities, decentralization, the creation of the office for the protection of citizens, and the separation of the Army from the police, agreed to by both the government and General Raoul Cedras. The entanglement in the Senate of the Republic has also occurred at a time when the government is preparing to hold elections to renew one third of the Senate of the Republic and to replace deceased Sen. Alberto Joseph.

According to observers who are following the Senate situation at this time, the true reason for the division is the fact that the Parliament is preparing to choose three persons who will become members of the Permanent Electoral Council as provided for by the 29 March Constitution. The Senate of the Republic has been in effect for two years, and so far, the senators have not yet voted any important law to move democracy forward in the country. Even the laws on how the Senate should function—that is, the internal rules of the Senate of the Republic—have not yet been voted on. The reason the parliamentarians offer is the question of negotiations following the 30 September events. However, since they gave up the question of negotiations with the appointment of Marc Louis Bazin as prime minister, within the scope of the Villa d'Accueil Agreement, they have basically made no serious decisions and have not voted important laws for the progress of democracy. Those people who say that in the past the Haitian Parliament worked poorly, on the basis of a routine policy, now admit that the Haitian Parliament has never been as bad as it is now.

Trade With China, Japan, Taiwan Under Cultivation

FL1211012792 Bridgetown CANA in English 2104 GMT 11 Nov 92

[Text] Kingston, Jamaica, Nov 11, CANA—A trade fair, said to be the first organised by China in the Caribbean, has opened in Jamaica with a variety of manufactured products on display. Electrical appliances, cutlery, wine, brandy, apparel, toys, and bicycles are among the goods on display in the four-day exposition which closes Friday [13 November].

The exposition is a joint venture of the China European American Company Limited and China National Overseas Company, light manufacturers for the Chinese export market, and two Jamaica-based companies with Chinese connections, Tenn Chow Limited and Meigao Jamaica Company Limited.

Morgan Zhang, general manager of Meigao, said the fair was part of an effort to set up "direct trade (with Jamaica), so that we may be more competitive price-wise." Zhang said China was interested in two-way trade with Jamaica and was particularly interested in the importation of Jamaican bauxite.

Wang Jianli, China's ambassador to Jamaica who opened the exhibition, spoke of the potential market for Jamaican coffee and rum in China. Currently, he said, these items are bought through "a third party" and are available in only limited supplies in Chinese restaurants and hotels.

The Chinese trade exposition comes amidst a significant warming in economic relations between Jamaica and East Asian countries. A Taiwanese trade mission was due here Wednesday as a follow-up to a two-year economic protocol signed between the two governments in April.

Jamaica has also established an embassy in Japan, which is the major market for the high-priced Jamaican blue mountain coffee and is also a rapidly growing source for tourism, the island's leading foreign exchange earner.

Montserrat

Chief Minister Survives No-Confidence Motion

FL1111031492 Bridgetown CANA in English 2246 GMT 10 Nov 92

[Text] Plymouth, Montserrat, Nov 10, CANA—Montserrat's Chief Minister Reuben Meade Tuesday [10 November] survived a no-confidence motion in Parliament. The four government members used their majority in the seven-member legislature to defeat the motion.

The motion was tabled by independent member Ruby Wade-Bramble after a local supreme court ruling in an ownership case last month involving top of the line vehicles sold here. One of the vehicles—a BMW motorcar—Meade had purchased for 44,000 East Caribbean dollars (one EC dollar = 37 U.S. cents).

The court heard, however, that the BMW had been insured for 29,000 pounds sterling—more than twice the figure paid by Meade. Meade, an economist, was director of development at the time of the deal. He and six other Montserratians who were supplied from the same source, had their luxury cars seized by Scotland Yard detectives in July 1991 amidst investigations into a stolen car racket. The motion accused the chief minister of having no regard for fundamental principles in the matter.

Before the vote, Wade-Bramble made an impassioned appeal for support of the motion. However, voting in favour, she was joined only by opposition member Bertrand Osborne. Noel Tuitt, the other opposition member, abstained. After the vote, Deputy Chief Minister David Brandt described the motion as "a detraction" in an interview with Radio Antilles. ".... Now it is over, and the opposition learned that they are defeated, ... I feel we should get together and do what is right in order to alleviate the hard times in Montserrat," he said.

The motion also had cited the sluggish economy as another reason for no-confidence in the Meade government.

PRD, PAN Members Set Electoral Offices on Fire

PA1211024592 Mexico City XHTV Television Network in Spanish 0201 GMT 12 Nov 92

[Report by Alfonso Chong]

[Text] Militants of the National Action Party [PAN] and the Party of the Democratic Revolution [PRD] on the afternoon of 11 November set the offices of the Electoral District Board in Matamoros, Tamaulipas on fire. The militants clashed with and fired shots at police, who later repelled them with tear gas.

Jorge Cardenas, Jr. tried to forcefully enter the Electoral Committee building in Matamoros and was repelled by police with tear gas. That was when the violence erupted. The members of the opposition hurled things at the authorities, who chose to withdraw from the area to avoid further conflict.

Police were not present when people who were inside the building were violently expelled and incendiary bombs were thrown. A fire started in the building, destroying material from the 8 November election.

Following the attack, the group of protesters marched through 6th Avenue, the most important avenue in the city. As they marched they destroyed the windows of two radio stations. They reached the main square, where they held a meeting and speakers stated that what had occurred was the result of dissatisfaction over alleged electoral fraud.

The events that took place in Matamoros prompted business organizations and the community in general to call for peace.

Government To React 'Firmly'

PA1211184892 Mexico City Canal 13 Television Network in Spanish 1300 GMT 12 Nov 92

[Report by Raul Sanchez Carrillo]

[Text] Maria del Refugio Martinez Cruz, state attorney general of Tamaulipas, declared the law will be enforced firmly against citizens who have broken the law and disrupted public order. She said this action will not be directed against any particular political party, but against the people who broke the law, which is a matter that cannot be concealed.

[Begin Martinez recording] The Attorney General's Office will act firmly in punishing all citizens who are breaking the law. It is not a matter of acting against a particular political party, but rather against citizens who are breaking the law and disrupting the peace in Tamaulipas. It will not be possible to hide this. [end recording]

The attorney general made the statement after learning of the events that took place in Matamoros, where Jorge Cardenas Gutierrez, son of Jorge Cardenas Gonzalez, accompanied by thugs [porros] in four pick-up trucks from Chihuahua and Michoacan, destroyed the municipal electoral commission building and burned documents from the 8 November elections.

The so-called Caravan for Democracy, headed by Jorge Cardenas Gonzalez, did the same thing in Llera Municipality. The individuals also went to Xicotencatl, where they set fire to the municipal electoral commission building. In other municipalities, police detachments have been increased on orders of the attorney general.

[Begin Martinez recording] Members of the Attorney General's Offices in each community are doing everything possible to locate the people who headed these groups, independently of their political affiliation. The Attorney General's Office is not interested in their political affiliation, but in the fact that at present they are causing a total disruption of the peace in those municipalities. [end recording]

In the case of Matamoros, the person identified as the son as Jorge Cardenas Gonzalez was accompanied by Ruben Diaz Leiva, as well as Sigfrido Hernandez of the Authentic Party of the Mexican Revolution, and Rolando Martinez Calderoni, who is the National Action Party candidate for municipal president of Matamoros.

[Begin Martinez recording] We are going to take action against any person identified as a disrupter of the peace. We are going to apply two legislations, the Penal Code and the State Electoral Law, which provides jail sentences for those who destroy electoral material, in addition to crimes against public servants and property owners—whether state or private property—where the various municipal electoral committees are located. [end recording]

The Matamoros incidents left several judicial policemen, as well as two local Canal 13 reporters, Juan Ruiz Martinez and Leonel Garcia, injured.

Official Foresees No Further Violence in Michoacan

PA1211003092 Mexico City XHTV Television Network in Spanish 0200 GMT 11 Nov 92

[Eliseo Caballero Ramirez report]

[Text] Francisco Octavio Aparicio has been appointed government secretary general in Michoacan, replacing Armando Ballinas, who filled the position for 55 days. After being sworn in at the Congress, the new government secretary spoke about the political situation in Michoacan.

[Begin recording] [Unidentified reporter] Is there a risk of renewed electoral violence in Michoacan?

[Aparicio] I do not think so. These are isolated cases that obviously require attention and that should be dealt with promptly to prevent this sort of thing from occurring in other areas.

[Reporter] What is the nature of the dialogue between you and the various political forces in Michoacan?

[Aparicio] I think our position, which coincides completely with the decisions made by the governor, is to have our doors open to all political currents. We will talk with everyone. We will try to resolve whatever problems occur together, because only agreement and dialogue will make it possible for us to live and work in peace in Michoacan. [end recording]

Salinas Says No New or Increased Taxes for 1993

PA1111125792 Mexico City XHTV Television Network in Spanish 0200 GMT 11 Nov 92

[Text] President Carlos Salinas de Gortari addressed public accountants and said the Mexicans' expectations for employment and opportunities will be met.

President Salinas de Gortari said on 10 November that there will not be any new or any increased taxes in 1993. The president made the statement at the Institute of Public Accountants when he announced the draft 1993 budget had been sent to Congress.

[Begin Salinas de Gortari] Our main purpose is to continue fighting inflation. Our goal for 1993 is to hold inflation to only 7 percent throughout the year. [end recording]

For the first time in history, the draft budget does not include a fiscal miscellaneous section in the package sent to legislature.

[Begin Salinas de Gortari recording] That means that there will not be new taxes nor any increases to the existing federal taxes. This is the result of the lowered rates we have maintained for the last four years, the elimination of many other taxes, and—for you and all taxpayers—this represents a great step forward in the simplification of complying with your obligations. [end recording]

President Salinas de Gortari said for the fifth consecutive year, the goal for 1993 is to keep the economy growing faster than the population, and in this manner, to meet the Mexicans'expectations for production of goods and services, employment and opportunities. President Salinas de Gortari also pointed out that all steps taken in 1992 for fiscal simplication will be part of the law.

Salinas Comments on Privatization Process

PA1011235592 Mexico City Canal 13 Television Network in Spanish 1300 GMT 10 Nov 92

[Text] President Salinas de Gortari met on 9 November with Mexican and European economists to discuss privatization in Mexico. The president said the privatization process will neither circumvent nor eliminate the state. It was also learned that Canal 13 de Television and the daily EL NACIONAL will be privatized in January. The names of the owners of these media should be known by March.

President Carlos Salinas de Gortari spoke at the inauguration of the Mexico-Eastern European Nations' privatization seminar. Here is what President Salinas said:

[Begin Salinas recording] That is why it is important to recall that reforming the state means modernizing it, not eliminating it. Privatization is not equivalent to sidestepping the state: A market without regulations is equivalent to abuse. By the same token, a state without a strong civilian, participatory society is also an abuse. [end recording]

Addressing approximately 100 economists from seven Eastern European nations and Mexico, President Salinas explained that the state's reforms should be global because no economic program can be successful without social reforms.

[Begin Salinas recording] I would like to emphasize that no economic program is successful unless it goes hand in hand with clear social reforms. In that respect we have given top priority to education, rural, and health reforms and to a program of direct response to social demands that we have labeled the Solidarity Program. [end recording]

Referring to the privatization process in Mexico, the president said a crystal clear legal framework and a macroeconomic policy that translates into stability are the two features that grant the state security.

[Begin Salinas recording] In Mexico we would like to emphasize that the most important factor in this exercise has been the implementation of privatization through a crystal clear process: public bids paid out in cash. This has allowed us to collect $21.5 billion in resources that in turn help to meet the state's social responsibilities. [end recording]

President Salinas explained that the resources obtained from the privatization process will be used to reduce the nation's domestic debt, which represents 11 percent of the GNP. To conclude, the president said that one of the most important elements of the Mexican experience in privatization has been the establishment of a consensus, because that consensus has changed attitudes and, consequently, created a political and social consensus based on those decisions.

El Salvador

Commentary on 'Lesson' of U.S. Elections

PA1011202692 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 10 Nov 92

["Chronicle" segment by Raul Beltran Bonilla]

[Text] The drama of the U.S. election for a new president has ended. Therefore, it is important for our politicians, regardless of their tendencies, to learn the lesson; hear me well, our people should value this experience the North Americans offer us. It was interesting to note how politicians from the most varied ideological standpoints in the country gathered and talked in a civilized manner at the Hotel El Salvador on the eve of the elections. A retired military officer aptly said: How could we imagine many years ago a high-ranking military officer would be talking and making statements, calmly seated at a hotel, to the Radio Venceremos and Radio Farabundo Marti news team. They were enemies in combat and now they are enemies in adversity and within the political process underway in the country.

The most important thing our politicians should value—and the appeal is appropriate because I know they have feelings and hearts like all the Salvadoran people—is the fact that whenever an electoral process ends the loser should admit his defeat and the winner should be humble in victory, noble in victory because that is what the U.S. people taught us during the presidential elections one week ago. It was interesting to hear the opinion of former [as heard] President Bush, admitting his defeat. It was equally interesting to hear Mr. Ross Perot say: The campaign has ended and all the U.S. people must now unite.

The Salvadoran people should learn the lesson because we tend to extemporize. When U.S. politicians say let us unite, they really unite. They are not merely talking tongue-in-cheek as the Latin Americans, particularly the Salvadorans, usually do. Those people do unite and strive to achieve development and they are determined to work. Furthermore, the president-elect has promised to respect the current administration's foreign policy because he knows very well it allowed the U.S. people to consolidate their political and military structure beyond their border and to end the cold war, which caused more damage than the hot war, as others call it. A war of words destroys the people's conscience much more than an armed fight or conflict.

It is essential for our politicians to understand; it is essential for politicians to learn the lesson taught by the U.S. This is a necessary step for each Salvadoran—be they a left-wing member, right-wing member, center member, former guerrilla member, military officer in active service, in sum, everyone—to participate in a public event, platform, or rally anywhere in the country, to consider themselves fellow Salvadorans, to state their minds, and reveal their feelings without affecting other people's morals and feelings.

This is the only way, Salvadorans; this is the only way, political leaders, for us to achieve a political and cognizant nation which includes the most varied ideologies. This is the only way we will feel proud of our leaders. A handshake should not only be warm, but it must also be sincere and truly from the heart. When a politician offers his heart, and when a politician offers his intelligence and generous hand, he can participate in a different type of politics than the dirty, vulgar, insulting, denigrating politics which sometimes involve slanderous people. That policy must soon end in El Salvador so we may opt for a positive ideological road regardless of what ideology you prefer, dear listeners, because that is your right—and no one must violate it. Let it be done for the sake of El Salvador's policy so we may build a different nation.

Merino on Ad Hoc Commission's Evaluation of Army

PA1311035392 San Salvador EL MUNDO in Spanish 11 Nov 92 p 32

[Text] Vice President Francisco Merino questioned the work carried out by the Ad Hoc Commission with regard to the evaluation of the conduct of Armed Forces officers.

Merino believes the Commission's report is not a serious and professional study, as was expected.

The vice president hinted that the work undertaken to evaluate the Armed Forces was biased. "Most of the charges came from leftist sources," he said.

He added that during the interviews by the Ad Hoc Commission there were many irregularities, for example, asking soldiers about events in which they did not participate.

Merino referred to statements by Eduardo Molina Olivares, one of the members of the Ad Hoc Commission, who reported in the United States the possibility of a coup d'etat, and said that he was surprised by such statements, which he considers negative for the peace process.

The vice president said that, on a national scale, Molina Olivares' statements have been interpreted by different groups, which are now politicizing the topic.

President Alfredo Cristiani and the Armed Forces Staff have denied a coup attempt is being plotted in the country and asserted that the rumors are part of an attempt to discredit the military institution.

Guatemala

Serrano Alleges 'Plot' To Topple Administration

PA1311145492 Panama City ACAN in Spanish 1219 GMT 13 Nov 92

[Text] Guatemala City, 13 Nov (ACAN-EFE)—Guatemala's leading opposition political parties have

expressed support for the preservation of the democratic system, but they have not addressed President Jorge Serrano's allegations of a plot to topple his administration.

Opposition sources said that over the next few days they will examine Serrano's 12 November allegations separately. Serrano accused politicians and retired soldiers of promoting a coup d'etat, using his recognition of Belize as an excuse for doing so.

Leaders of Guatemalan Christian Democracy (DCG), Union of the National Center (UCN), and National Vanguard Party (PAN), reiterated their support for the democratic process and condemned any attempt to alter constitutional order.

On 12 November Defense Minister General Jose Domingo Garcia disclosed the existence of a plan to topple the head of state if the Consitutional Court (CC) voted against the government's September 1991 decision to acknowledge Belize's independence.

On 11 November the CC decided by four votes to three, that the government's decision did not violate the Constitution.

For 150 years Guatemala had claimed the less than 23,000 square km that constitute the territory of the former British colony, which in 1981 gained its independence from Great Britain, until Serrano acknowledged the Belmopan government and established diplomatic relations, a decision that was widely criticized by the opposition.

Although the secretary generals of the opposition parties (DCG, UCN, and PAN) could not be reached by ACAN-EFE, their spokesmen confirmed their "total support" for democracy and their determination to maintain the current system.

The DCG said that during Vinicio Cerezo's administration (1985-1991), two coups d'etat were attempted. The first was on 10 May 1989 and the second a year later, but both were thwarted by then Defense Minister General Hector Alejandro Gramajo.

"We cannot return to the past and even if we disagree with certain measures adopted by the current government, we will continue to support democracy," said a DCG source.

The politicians and retired soldiers who, according to the Guatemalan Government, were plotting the coup d'etat, were going to use as an excuse a court decision regarding recognition of Belize. However, the 11 November decision favored President Serrano.

The plot against the Guatemalan president, a conservative who professes the evangelical faith and has not yet served two years in office, was organized by "disgruntled politicians and former coupists," according to the defense minister, who did not disclose their names.

Some of the conspirators, he added, in their attempt to create a "power vacuum" over the Belizean case and to promote chaos, placed themselves at the services of an unidentified ranking officer in case the problems they were promoting actually took place.

Gen. Garcia said the Army is investigating the conspiracy while at another news conference Serrano confirmed the plot had not yet been dismantled but he doubted the possibility of its success. According to Garcia, the conspirators were also planning to promote a "political trial" against the president, taking advantage of a negative court decision on the Belizean issue.

Garcia said that the alleged plot was directed by an unidentified ranking officer, although the magazine CRONICA asserted that the military intelligence services have suspicions regarding retired General Jose Efrain Rios Montt, who has allegedly toured the country promoting "destabilization."

Rios Montt ruled Guatemala between 1982 and 1983 following a military coup against General Romeo Lucas, but he was deposed by another military movement that led another officer, General Oscar Mejia Victores, to power.

Mejia Victores surrendered power in 1986 to Guatemala's first civilian president in 30 years, Vinicio Cerezo, who in turn passed it on to the current president.

Serrano participated in the Rios Montt administration's self-styled State Council, which advised the general. Rios Montt, also an evangelical and famous for his Sunday sermons which were televised throughout the country, was prevented by the Electoral Tribunal from participating in the 1990 elections in which Jorge Serrano was elected.

Garcia said investigations are under way to determine the scope of the plot against the second civilian government elected by the Guatemalan people in the past seven years.

Serrano on Belizean Territory Claim, Relations

PA1211151692 Guatemala City Radio and Television Networks in Spanish 1800 GMT 11 Nov 92

[Message to the nation by President Jorge Serrano in Guatemala City—live]

[Text] I wish to address the nation regarding a topic that has been discussed in our country for many years. It is the topic of Belize.

We Guatemalans are well aware that the topic of Belize was used many times by past governments to distract attention away from national topics. Belize was a topic we always heard about, but we never had clear insight into the case of Belize.

Belize is a neighboring country with a population very different from ours, it has a different language, its

government system is based on the British system, and our cultures have few similarities.

For many years, Guatemala maintained an undefined claim on Belize. Guatemalan Constitutions varied their positions and the last Constitution, in a realistic manner, recognized the need to improve relations with Belize and find real and appropriate ways of solving the dispute.

Based on this Constitution, my government began taking action to seek and end the great problem Guatemala has had for many years. Honestly, this problem does not appear to affect the country domestically, but Guatemala was seen by the international community—particularly 10 or 11 years ago when Belize attained its independence—as an aggressor that did not recognize the Belizean people's right to self-determination and a country with colonialist intentions in the 20th century. This caused our country to become isolated and made enemies of other countries of the world. We feel this was counterproductive.

We decided to start a dialogue to find a way to solve this problem between Guatemala and Belize, but we realized that there was no one we could talk to because we had not recognized Belize. Therefore, one of the government's first concerns was to decide who would be our counterpart. Who would be the first person we could discuss our differences regarding the territory of Belize? We concluded that the most important thing was to recognize Belize based on the right to self-determination and establish diplomatic relations so that, in a friendly and harmonious way, we could solve Guatemala's position regarding the Belizean territory before the world legal organizations.

Thus, we recognized Belize and exchanged ambassadors. I want to point out that a Guatemalan Consulate existed in Belize for many years. This means that, tacitly, Guatemala had already recognized the existence of a new state. Guatemala had already witnessed and did not oppose Belize's entry into the United Nations as a state. Guatemala had already witnessed and did not oppose the entry of Belize into the OAS as a state. This means that, tacitly, the Constitution and the country's past political deeds had recognized the state of Belize among the international community.

Based on this, we recognized Belize and exchanged ambassadors in order to start discussing an already existing territorial claim. This territorial claim has not been settled. Guatemala still has a claim on the territory of Belize and the Belizean Government is well aware of this. There are signed joint statements recognizing the need to solve the territorial claim.

Given that situation, steps were taken to gain international prestige and begin to work on the essence of the issue. Up until now, my government never, payed close attention, never did sign a definitive agreement. Article 19 of the Constitution stipulates that a definitive agreement has to be submitted to a national referendum in order to be valid. This means that all Guatemalans will have to vote on that definitive agreement. So far, no definitive agreement has been reached.

What we have done is to establish bilateral relations with Belize. This does not represent a definitive agreement, because at any minute Guatemala could cut those relations and withdraw its ambassador. This means these relations are not definitive.

Consequently, no agreement on the territory has been signed. Guatemala maintains its territorial claims over Belize, in the same manner El Salvador and Honduras maintained diplomatic relations at the same time they had territorial differences. They decided to bring this matter before the International Court of Justice [ICJ] at The Hague and abide by the ICJ ruling. This can be an alternative for Guatemala or we may have an arbitrator settle this dispute—that is, have arbitrators listen to the viewpoints of both parties and decide what will happen. When we reach this point, a definitive agreement will be reached and this agreement will be submitted to the people for consultation.

Under those historical and juridical premises, the government developed our foreign policy, based on respect for self-determination of the people and the right of every nation to sovereignty. We believe we also have the right to maintain our territorial claim, but there are juridical and civilized processes other than fighting to carry on with this process. We are implementing our policy on Belize within this framework. Some people objected to this policy and filed an unconstitutionality writ. In other words, these people went to the Constitutional Court and said the president of the Republic and the government had violated the Constitution by appointing an ambassador to and recognizing Belize.

The Constitution states that the Constitutional Court is a collegiate body. This means its members meet jointly to make a decision, which is the decision of the Court. The three magistrates cannot have independent decisions. This is absolutely illegal. The Court hands down only one decision. The magistrates of the Court held long deliberations. After those deliberations, they concluded the actions of my government did not violate the Constitution of the Republic. In addition, the Court fined the attorneys who assisted those who filed the writ.

From this perspective, our actions were validated on 11 November and the Constitutional Court has recognized the government acted within the law and the Constitution of the Republic. We are not going to discuss the Court's ruling. We recognize the Court is responsible for issuing its opinion on constitutional matters and we will abide by that ruling to continue the government's international policy. What advantages do we now have?

The international community's big doubt that Guatemala was going to return to a colonial or aggressive policy has dissipated. Thank God, we can now say

Guatemala—because of its domestic laws and its political decisions—will never be singled out before the world community as an aggressive country or a country with colonialist aspirations.

Guatemala is a country with dignity and the country's legislation is respected. Constituent Assembly members, themselves, those who drafted the Constitution, opened up the doors for the solution of this problem because they knew the stubborn positions of the past would lead nowhere. These stubborn positions were actually isolating the country internationally.

These have been the legal points in which we have based our positions. These legal points and court resolutions are consolidating the decisions that have been made regarding the Belize case.

During the entire period in which the case was being studied by the magistrates, the presidency of the Republic and the government of the Republic kept silent, respecting the independence of the judges so they could issue their ruling. Unfortunately, it hurts me to see Guatemalans adopting political positions in an attempt to utilize this topic, which is of the greatest national importance, to try to destabilize the government. They were proposing political trials. Five or six individuals—you can read it in the media—continue to use this topic. They are the five or six individuals who tried to manipulate this topic. They are trying to turn a legal issue into a political topic.

People of Guatemala, I believe we have to respect the law. The president of the Republic respects it because he is the highest authority in the country. All Guatemalans must respect the law. If the president of the Republic was fair enough by not influencing the magistrates, if I did not pick up a telephone to frighten anyone or to influence anyone, it is incorrect for bad Guatemalans to try to confuse the public by trying to pressure the courts to rule according to their political aspirations, creating instability in the country.

We want to tell those five or six individuals that the law in this country will be preserved at all costs. It is really antipatriotic to allow our country to be singled out before the world as a country that violates human rights by not recognizing the right to a people's self-determination, as a colonialist country that refuses to recognize a neighboring country, and as an aggressive country that tries to recover a disputed territory using improper methods.

Guatemala has taken a firm legal and civilized step. My government will continue taking legal and civilized steps.

Although my detractors—five, seven, or 10—have taken it upon themselves to achieve who knows what insubstantial objective and continue to attack me, the Guatemalan people must know our actions are in defense of Guatemala's most sacred possession: its dignity.

There are mechanisms at our disposal to defend our territory: We can go to the ICJ or we can define a mechanism to settle the problem with the sister nation of Belize. We are willing to create that mechanism with Belize and start working toward settling the problem before the international community, and above all because we want to comply with our constitutional mandate.

Hence, Guatemala has taken an important step, which has been praised by all countries in the world. In taking that step, Guatemala is acting as a dignified nation that respects the agreements it has signed. Above all, the Constitutional Court's ruling shows Guatemala is a country that acts with strict adherence to the law.

My government is satisfied. We know what we have done will benefit our country and history will recognize the cost we have paid and the benefits we will obtain from this action.

God bless you all. Thank you.

Court Dismisses Action Against Serrano

PA1211161792 Guatemala City SIGLO VEINTIUNO in Spanish 11 Nov 92 p 2

[Text] The negative vote cast by three magistrates of the Constitutional Court decided on 10 November, the dismissal of the request presented by Deputy Eduardo Garcia Salas and Attorney Rolando Palomo Gonzalez for the Court to declare the unconstitutionality of the actions taken in the case of Belize.

In ruling for the request's dismissal, the Court also ordered the president of the Republic to submit his actions regarding Belize to the Congress for approval, within three days after the ruling was sanctioned.

The request was filed against the appointment of Ricardo Bueso Deras as plenipotentiary ambassador of Guatemala in Belize; the administrative actions recognizing the independence of Belize, which includes the UN recognition; the reception of the Belize foreign relations minister on an official visit; and the invitation made for the prime minister of Belize to visit Guatemala.

In considering the request, the Court examined the general historic events which surround the Belizean case and past Guatemalan constitutions. It examined the recourses presented, Article 19 of the transitory and final provisions of the Constitution, the Guatemalan legal system, and the authority of the Congress to review the case.

Regarding the government's recognition of Belizean independence, the Court states that, under article 19 and notwithstanding the existence of Guatemalan rights, the circumstances of the original claims presented before the United Kingdom clearly changed upon the Belizean declaration of independence in 1981. This is so because

the original counterpart in such claims stated that it no longer has the authority to negotiate with Guatemala.

The Court states that its examination of the acts in question establishes, on the one hand, that the recognition was a unilateral foreign policy decision by the Guatemalan Government, made to allow direct negotiations with Belize to find a final solution to the dispute, and on the other, said recognition and the establishment of diplomatic relations were expressly set apart from the territorial dispute.

The record also specifically states that negotiations will continue to find a final solution to the dispute, which was also reaffirmed in a 9 September 1991 note addressed to the UN secretary general.

According to the Court, the decision to establish diplomatic relations with Belize, the appointment of an ambassador, and the welcome given to the Belizean ambassador to Guatemala, fall within the authority of the president of the Republic as granted by article 183 of the Constitution.

Therefore, the Court rules that these actions do not violate any of the provisions of the Constitution. However, given the subject matter in question, they must meet the requirement which calls for the Congress to review and approve these actions.

According to the Constitutional Court, it is the Congress who must determine if an agreement carried out by the Executive Branch implies the definitive resolution of Guatemalan rights over Belize. It must submit any such definitive resolution that would end the dispute to public scrutiny; it must determine if these actions affect the nation's domains and approve or reject such acts that are found to affect said domain.

Party Splits Reportedly To Weaken URNG

PA1111021492 Guatemala City EL GRAFICO in Spanish 10 Nov 92 p 12

[Text] The 6 January dissident faction of the Guatemalan Labor Party, PGT, and the Revolutionary October organization, OR, split up in October, according to a communique sent surreptitiously to the media on 9 November.

The document states that since that time, militants of these two groups were free to conduct their political activities as they deemed most advisable.

The document adds that the decision was adopted after the PGT held a special congress and OR held a referendum.

The split was reported by a self-styled OR and PGT Convergence Commission [Commission de Convergencia de Octubre Revolucionario y del Partido Guatemalteco del Trabajo].

Should the reports hold true, the split could mean a weakening of the Guatemalan National Revolutionary Unity.

This is happening days after the CERIGUA news agency reported that Monsignor Rodolfo Quezada Toruno announced a possible round of talks between the government, Army, and guerrillas in the next few weeks in Mexico City.

The negotiations were suspended when the parties failed to reach an agreement on the international human rights issue.

Jose Fernando Lobo Elected Congress President

PA1311011792 Guatemala City Teleonce Television in Spanish 1800 GMT 12 Nov 92

[Text] Congress on 12 November elected Christian Democrat Jose Fernando Lobo Dubon as Congress president for the 1993 to 1994 period. The alliance between the DCG [Guatemalan Christian Democracy], the Union of the National Center [UCN], and the Solidarity Action Movement, MAS, got most of the seats on the Congress Board of Directors.

The deputies of the National Vanguard Party and the Guatemalan Republican Front abandoned the Congress building a few minutes before the vote, along with some congressmen of the so-called change bloc [bloque del cambio], formed by UCN dissidents.

None of these three political forces submitted nominations for this election.

Ernesto Contreras of the UCN won the first vice presidency of Congress and Hermindo Alvarez and Diego Lopez de Leon of the MAS won the two remaining vice presidencies. Roberto Paiz Bolanoz of the MAS, Mario Hugo Miranda of the DCG, Dimas de Leon Paredes of the UCN; Carlos Arroyave of the MAS, Eduardo Matute of the DCG, Fernando Pereira of the UCN, independent Eduardo Tager, and Julio Diaz of the UCN were elected as secretaries of Congress.

Honduras

Foreign Minister Comments on Integration Plans

PA1111223992 Tegucigalpa Voz de Honduras Network in Spanish 2050 GMT 10 Nov 92

[Text] Costa Rica has expressed its opposition to the establishment of one sole Central American republic as General Francisco Morazan once proposed. Three countries, however, are acting in favor of integration.

We have wondered if this integration is taking place within the framework of a Central American system planned during presidential summits. This is what Foreign Minister Mario Carias had to say:

[Begin Carias recording] Yes, of course. However, the Central American Parliament currently includes only three countries. We must continue working to get the other three legislatures in the area to join to enhance the Central American Parliament's influence.

Within the framework of ministerial meetings, we want the integrated parliament to have a level of authority similar to that of the integration process in Europe, where much power has been transferred from national administrations to a regional one—with the consent of the countries that are voluntarily part of the integration process—so the regional body manages certain resources and policies.

Integration is gradually gaining ground. The day will come when political mechanisms will determine that there must be integration. One such mechanism is the Central American Parliament. There may be other mechanisms. It is too early to say what form they will take. It may be necessary to consult the Central American population in the search for big opportunities for Central America.

You know that the Europeans have resorted to referendums. The Maastricht Treaty was negotiated by plenipotentiaries. Under normal circumstances, that would have sufficed once the legislatures of each nation had ratified the treaty. However, in the framework of the new dynamics of international relations and of pro-integration relations, that ratification was apparently not enough. The opinion is that some issues must be taken directly to the people in referendums. However, referendums are not the only way. There are many mechanisms. We are going to study those mechanisms and then we will make specific proposals. [end recording]

Nicaraguan Army Chief H. Ortega Discusses Visit

PA1311020492 Tegucigalpa Radio America in Spanish 1607 GMT 12 Nov 92

[News conference by General Humberto Ortega, chief of the Niaraguan Sandinist People's Army, EPS, with unidentified reporters in Tegucigalpa; live—broadcast in progress]

[Excerpts] [Ortega] ....we have already complied with the reduction process, as President Violeta Barrios de Chamorro recently announced to the public through a communique, and we have started the professionalization process.

[Reporter] [passage indistinct] rustlers, smugglers, and drug traffickers?

[Ortega] I think the most important thing to observe here is the fact that two estranged Armed Forces that distrusted each other and [words indistinct] confrontation have been overcome. I might add that, as a result of my visit, we were able to talk with all the commanders of the country's Army and with many officers. Likewise, dozens of high-ranking officers from this country recently visited our country for a week. The most important thing to mention about this visit is that we have clearly realized we will never again let anyone create situations that might lead our people to an armed dispute. I think this is the most important thing.

We will never again let anyone use a given situation to disrupt the framework of relations between our states, because this is what guarantees the atmosphere of peace, stability, and tranquillity in our nations. We cannot let irregular groups operate in one country against the other. We have seen that this does not help maintain peace between our nations. We will let no one use our territory to carry out this type of irregular activity or to engage in gunrunning. Our territories cannot be used like they were in the past.

Logically, if we strive in this direction we will strengthen constitutional order in our two nations. We have held these meetings in particular to restate plans that exist and are being implemented through the respective specialized branches—both the Navy, border guards, Air Force, and intelligence agencies. In sum, we already have a systematic plan to fight crime in general at our land border, as well as the incidents that have occurred in the Gulf of Fonseca and the Cayos Miskitos zone, where pirates operate and steal our natural resources.

Our meeting today has restated the interest of the high commands—represented by Gen. [Luis Alonso] Discua and me—in perfecting these plans so we may achieve progress in the struggle against crime in general. What crime? Well, the citizenry mostly complains about contraband at the border—above all contraband cattle. Also, both Honduran and Nicaraguan citizens complain about the fishermen's problems. Incidents have occurred and we must better protect the fishermen. We must also ascertain if anyone is illegally operating in areas where the border has not been clearly delimited, because cattle gets lost, etc. If the appropriate atmosphere prevails between us, I believe we will be better equipped to settle those situations and provide more security.

The drug trafficking problem has also been discussed because drug traffickers' use of Central America and Nicaragua as a stopover has increased and.... [pauses] this spirit prevailed among the high command members. We have reviewed the various issues on which we have been working, meaning that we have not started this with my visit. We simply want to reassert what we have done and strengthen the high command's actions.

[Reporter] It has been reported that the Nicaraguan Government is selling arms to the Ecuadoran Government and that there have been eight DC-3 airplane flights to Ecuador. What do think about this?

[Ortega] Speaking with journalists like you in Nicaragua, I informed the citizens, through the media, that we had been selling arms to the sister Republic of Ecuador just as we sold arms to the sister Republic of Peru. So I don't understand why you don't have this information, which

I made public. We have every right, in the framework of our Army's statutes and of the Constitution, as an armed institution, to carry out this sort of sale.

When we reduced the size of our Army, we were left with surplus inventory. We were not going to let it go to waste. This is why we took advantage of the fact that both the Peruvians and the Ecuadorans needed weapons we had, to carry out completely legal transactions that were approved by the president of Nicaragua, who is fully informed of this matter. The transactions took place in the framework of the laws of Ecuador, Peru, and Nicaragua. The negotiations were completely clear. There is no conspiracy here. There was discretion, yes, as all military matters require, especially in Peru, where there is an armed guerrilla group. The transactions had to be carried out with due discretion. This is elementary. The transactions were authorized and legal.

The revenue we obtained, which is modest and not as large as some people have mistakenly said—some speak of hundreds of millions of dollars, and that is a lie. This revenue will serve to create a retirement fund so that when officers retire, they may move on to civilian life with decent provisions.

The thousands of officers who had to retire until now have had to do so with emergency retirement arrangements that do not fill the needs we know that military people have when they move to civilian life. With this retirement fund we have taken the first step, aimed at producing a social security and retirement system.

This is something we have noticed exists in Honduras and we have tried to learn how it functions here. We want to learn some aspects to implement a similar system in Nicaragua.

[Reporter] The Sandinist Government was seen as a threat to democracy in the region. What will happen with this rapprochement? Does it mean that the Sandinist Army has changed its much vaunted communist ideology?

[Ortega] We have never had a communist ideology. As young men, when we began the struggle against Somoza, from the beginning, we were patriots, revolutionaries, and Sandinists. The fact that we were not communists does not mean that we were anticommunists. We are not anti anything. We have been revolutionaries who overthrew Somoza to secure democracy in Nicaragua, especially a democracy with economic development and social justice, where the majority, the peasants and the workers, may benefit. In Nicaragua these people were subjected to brutal exploitation and oppression for over 100 years. We found a destroyed Nicaragua, where 60 percent of the people had nothing, more than 80 percent of the people were illiterate. Somozism left the country bankrupt. It took whatever remained in Nicaragua and brought it to the United States. During the revolution they were the rich landowners and capitalists.

We have been strengthening democratic awareness. I believe that today's world wants change. The socialist camp has fallen. This does not mean that Latin America's grave problems have been solved. Latin America's foreign debt is more than $400 billion. There is poverty throughout Latin America. It is a social time bomb. It may explode and destroy us all unless emergency measures are approved in Latin America and in our nations.

In Nicaragua we led a revolution and later we were in the government. We made much progress in the search for the historic goal of democracy and social justice. We were deficient in some aspects and we made errors. We lost the elections. There is a new government. The Army began moving away, out of necessity, from the Sandinist Front as a political party. Now the Army is an autonomous and independent institution. We believe the best contribution we can make to the people, the nation, who have so many needs, is to function in the framework of the law, to enforce respect for the Constitution, and to create awareness that we are going to resolve problems only if all Nicaraguans act in unison, without exclusion or vengeful attitudes.

We are going to try to solve a problem of more than 100 years. It will not be solved overnight. It will be resolved once we produce what we need to eat and stop depending completely on help from abroad. We have the right to aid, but first we must be united to resolve our problems. This is the appeal we have made to the people, for the sake of law and order, because if we are not seriously united, the peace we have secured will be threatened by misunderstanding and doubt. [passage omitted]

[Reporter] [words indistinct] to get rid of the sophisticated war equipment you had, the MI-25's, and exchange them for farming equipment. Here, in Honduras, we have sophisticated F-5 warplanes. A movement is under way to sell these planes. Does the fact that Honduras has this sophisticated war equipment threaten the military balance in the region?

[Ortega] The serious economic and social problems afflicting our peoples are what threaten peace and stability in our region. That is the root of the political violence that leads to war, guerrillas, terrorism, and other things. Actually, we feel that if there is a willingness for good understanding—as the Honduran Armed Forces are showing toward our Armed Forces and the Nicaraguan people as well as toward the Honduran people—we do not have the slightest fear that a pistol, rifle, or a plane can harm us.

We believe that the force of an army is in its desire for peace. Naturally, we have kept the helicopters that we had to keep to maintain the small Army we had always wanted to have. However, because of the war circumstances imposed on us in the past, we had to make our Army larger. Actually, we do not have any fears with regard to Honduras.

At any rate, we have always feared the United States. It is the United States that invaded us in the past, not

Honduras. The United States would have to destroy all weapons. I think these are things that are being left behind. This is no time anywhere in the world for invasions. The world wants peace.

Let us hope that once the conflict concludes in El Salvador, the peace agreement are implemented within the framework of the Central American agreements and of the Commission of Defense and Security. Then there will be better conditions so that these topics of the regional balance of forces can be discussed within a friendly atmosphere and reasonable understanding, according to the internal particularities of each country. In this manner, this situation will be improved, and unnecessary weapons will be eliminated. Why have these weapons, then? I think that is logical and I am sure the Armed Forces here understand that, as they have said on other occasions.

[Reporter] [words indistinct] included the famous MI-25?

[Ortega) We are still conducting the negotiations. The transaction with Ecuador is still in process, and I would prefer not to give any details, because I have not consulted with the Ecuadoran Government on this. However, I can say that this is a smaller operation than the one with Honduras.... [pauses] pardon me, the one with Peru. I do not think this one amounts to more than $3 or $4 million. [words indistinct] it does not include helicopters, but rather, other types of inventory that they requested, and for reasons you might very well understand, I will respect them and not provide any details. [passage omitted]

[Reporter] Gen. Ortega [words indistinct] President Violeta Chamorro. It is said that she is tense, and that she has even threatened your remaining as chief of the EPS.

[Ortega] A communique issued by the president has clarified this situation. There was some confusion but the president ratified that the Army reduction is over. She also asked that we expedite everything having to do with our process of modernization and on regulating the military career to clearly establish the time and positions that each officer—including the chief— must serve in our Army. Thus, we have a respectful relationship.

Before leaving, as we now are going to meet with the Honduran president, I would like to thank you for being here and asking questions. I also want to greet the brotherly people of Honduras, and tell them that today, more than ever before, we are aware that together Honduras and Nicaragua can be strong, and we will solve our problems.

[Moderator] The reporters want to ask Gen. Ortega one last question.

[Reporter] [words indistinct]

[Ortega] We practically do not have any relations now, for practical reasons.

[Reporter] How about the blockade being imposed on Cuba?

[Ortega] That Torricelli Law is not right. All countries of the world—even England and other European countries, as well as Latin American countries—have said this is not the correct method anymore. For example, if there is something we do not like about Honduras, why should another country impose a blockade on it? That is not right; it is not just.

The fac the United States does not like the Cuban system does not justify its imposing a blockade on Cuba. What the United States is doing is actually worsening the Cuban situation. We reject this and hope this method of the past will be rectified. Our government rejected the Torricelli Law. Foreign Minister Leal, following instructions from President Chamorro, publicly rejected the Torricelli Law.

[Reporter] How about socialism, general? Has it died forever?

[Moderator] Gen. Humberto Ortega has concluded the news conference.

Panama

Attack on Attorney General's Office Viewed

PA1311134892 Panama City Radio KW Continente in Spanish 1200 GMT 13 Nov 92

[Text] Leo Gonzalez, chairman of the Legislative Assembly Drug Affairs Commission, thinks the terrorists' attack on the building where the Attorney General's Office is located was a drug trafficker's act of revenge against Attorney General Rogelio Cruz. Gonzalez thinks there are two possible reasons for this attack, both of them bad, and he added that, given the accusations against Cruz, anything can happen.

[Begin Gonzalez recording] The president of the Republic has said there are only two probable instigators of this attack, former soldiers or drug traffickers. The Attorney General has released bank accounts in the names of former officers and drug traffickers. In addition, several former officers were put under house arrest. Nevertheless, at least one of them, Quiel, escaped. Other drug traffickers under house arrest also escaped. [end recording]

Gonzalez, who laments that the incident that endangered Attorney General Cruz' life and wounded more than a dozen people, ruled out the possibility that the attack was provoked by reports made public by the commission he heads.

[Begin Gonzalez recording] It might be that things began to get tougher for him after we started to investigate. Cruz can no longer do what he had been doing. Who

knows what promises he had made and then failed to keep? This is the danger he is in at present. [end recording]

The only sure thing about the attack perpetrated on 6 November is that the explosive used was powerful, sophisticated, and characteristic of professional terrorists. Three persons were arrested initially and then released after the authorities confirmed they were not connected to the incident. The purpose of the attack is still not known. Recently, Technical Judicial Police Director Carlos Landero said the lives of a number of officials are threatened, including that of Landero himself and that of Ariel Alvarado, drug secretary for the Attorney General's Office.

Government 'Not at Stake' With Referendum Vote

PA1311035992 Panama City Radio Soberana Civilista in Spanish 2000 GMT 12 Nov 92

[News Conference by President Guillermo Endara Galimany with an unidentified moderator and local and foreign journalists at the Presidential Palace in Panama City—live]

[Excerpts] [Passage omitted] I want to mention a point concerning the referendum and its possible results. A distinguished legislator and some other persons have said through the media that if the no votes prevail in the referendum, there should be a cabinet change. I must reiterate here what I have said on more than one occasion: the referendum only refers to constitutional amendments. The Panamanian people must decide if they want to reform the Constitution as proposed. In no way does it refer to my government or specifically to my cabinet.

My cabinet did not draft the final project that will be subject to the Panamanian people's vote on 15 November. I chose the members of my cabinet. Of course citizens can express their opinion, but the president of the Republic is the one who decides and selects his cabinet, and I will make no changes in my cabinet. I made this clear at the 11 November Cabinet Council. Unless there is an unexpected situation, I plan to stay with this cabinet—and I want this to be known—until approximately December 1993, when it is possible that some of the ministers may decide to become candidates in the next elections, in which case they will have to resign their posts. I do not plan to make any changes in my cabinet, unless something unexpected occurs, which frankly I cannot foresee at this time. I want this to be clear. [passage omitted]

[Moderator] Ricardo Samaniego of TVN Television, channel 2.

[Samaniego] If the no wins, will you respect the Constitution and the people's will by not abolishing the Army?

[Endara] I cannot abolish the Army, because it would be unconstitutional. What I can do is not create an Army. As long as I am president, I will not organize an Army. I will not do it. I cannot abolish the Army, but I can refrain from organizing one, and I think I have the support of the great national majorities.

[Moderator] Veronica Tamayo of EL SIGLO.

[Tamayo] Good afternoon, Mr. President. I would like to know how you think the referendum will go?

[Endara] I personally believe it will be a pure, free, and sovereign act by the Panamanian people. I am not fully aware of all the actions taken by the Electoral Tribunal, as they are absolutely and totally independent from the Executive Branch. I know, however, that the Electoral Tribunal is organizing the referendum very well and with the necessary impartiality that should prevail in the democracy all Panamanians want. I believe it will be a very important citizens' act, which will set—I hope—a precedent for equally free, sovereign, impartial, and clear elections in May 1994.

[Tamayo] At what time and where will you vote, Mr. President?

[Endara] I will vote at the La Salle School, but I have not decided the time yet.

[Tamayo] Thank you.

[Moderator] Elizabeth Farnsworth of the Public Broadcasting System.

[Farnsworth] Good afternoon, Mr. President. I would like to know if your government is ready to receive the U.S. military properties that will be turned over to Panama in larger quantities in the next two years starting next year?

[Endara] I believe we will be receiving relatively little. I think the largest part will be received in 1995, when I will not be here. It is my duty, however, to prepare the Panamanian people and government to receive those properties so they will be of general and total benefit for all, and not for just a few. We do not want to repeat the same experience as in the past, when properties deteriorated and were lost due to lack of preparation. That would be criminal. For that reason, for many months, for years, one of the government's first tasks has been studying this matter. As a conclusion of many of those studies, we currently have at the Legislative Assembly a bill creating the Interoceanic Regional Authority. This bill has been duly studied and is only pending the Legislative Assembly's analysis, reform, improvement, and approval in order to have an authority duly constituted and 100 percent dedicated to the reverted areas. [passage omitted]

[Moderator] Carlos Camarena.

[Camarena] Good afternoon, Mr. President. There is growing opposition at the international level and also from Panamanian conservation groups against the transiting through the canal of a ship carrying plutonium. I

would like to know your administration's position on this. Do you think it is fair that Panama, a country that will not benefit at all from that transit, should allow a vessel carrying a shipment of that nature to navigate its waters?

[Endara] The Foreign Ministry issued a communique on 26 October on this subject, which clearly states the Panamanian position. I would like to stress a point. On 11 November, the National Government through Foreign Minister Linares expressed its opinion to the Panama Canal administrator. I will read the text of our letter, because it explains the Panamanian Government's position. It reads:

I address you to transmit to you the concern of Panamanian citizens and the Foreign Ministry in view of the possibility that the Japanese vessel Akatsuki Maru, which sailed from the military port of Cherbourg, France, with a shipment of 1.7 tons of radioactive plutonium destined for the Japanese port of Yokohama, could transit through the Panama Canal with all the risks and dangers it poses for the population and the environment in case of an accident.

Therefore, the Panamanian Foreign Ministry feels it is improper and dangerous to authorize the Japanese vessel Akatsuki Maru to transit the canal with its extremely dangerous cargo, as it could have catastrophic consequences for our country.

We hope our opinion will be taken into consideration when deciding whether or not to authorize the transit through the canal of vessels that due to their operation, propelling force, weapons, or cargo represent a risk for the population, the environment, or the installations of the canal.

That is the position of the Panamanian Government. Unfortunately, the Torrijos-Carter Treaties give the United States the power to decide how to operate the Panama Canal and the decision must be made by that country. Nevertheless, we have made our position clear to the respective authorities. [passage omitted]

[Moderator] Fernando Castrejon of Telemundo.

[Castrejon] Good afternoon, Mr. President. Should the no vote win in the 15 November referendum, would you consider that a defeat for your government?

[Endara] No, no. no. I will repeat what I already said: the referendum is to approve or disapprove the constitutional reforms. The people will be asked to say yes, I agree with the constitutional amendments, or no, I disagree with them. The government is not at stake in this. The government proposed the amendments, to which people will say yes or no. It is as simple as that. The government is not being judged in this referendum. It will not be a yes or no vote for the government but rather a yes or no vote for the constitutional amendments. [passage omitted]

Minister, PCC Members Review U.S. Amendment

PA1211184792 Panama City LA PRENSA in Spanish 12 Nov 92 p 2

[Report by Ibeth Vega G.]

[Text] Members of the Panama Canal Commission [PCC] met with Foreign Minister Julio Linares on 11 November to study an amendment approved by the U.S. Congress creating an office to guarantee the United States will cancel all its accounts before turning over the waterway's administration to the Panamanians.

Linares said they discussed several issues dealing with the turnover of the canal to Panama but "the topic which prompted the meeting was an amendment to Law 9670, which was approved by the United States through the budget law and which we knew nothing about."

The foreign minister said they carefully analyzed the amendment's contents and they came to the conclusion it does not violate the Torrijos-Carter Treaties, signed in 1977 by the two countries.

"The amendment calls for the creation of an office that will operate after 2000, and it will handle all the issues of interest to the United States after the turnover of the canal," Linares said.

The foreign minister said the office will be totally independent from the PCC and its headquarters will be located in U.S. territory.

Linares said the U.S. office will guarantee the United States will cancel all of its accounts and turn over the canal in good condition to Panama.

"The amendment also proposes studies to facilitate the turnover of the canal to Panama. These studies are of a different nature and they may even propose the current PCC's modification," Linares said.

According to the diplomat, the amendment also proposes the creation of economic reserves so resources are available to make the necessary payments when the canal is turned over to Panama.

Moreover, PCC Administrator Gilberto Guardia said the amendment does not violate the canal treaties.

Argentina

Gonzalez Comments on General Powell's Visit

PY1211172092 Buenos Aires TELAM in Spanish 1945 GMT 11 Nov 92

[Text] Buenos Aires, 11 Nov (TELAM)—The central topics analyzed here today by U.S. General Colin Powell included an increase in military exchange between Argentina and the United States and the Armed Forces reorganization. During his second day in the country, Powell met with President Carlos Menem and Defense Minister Antonio Erman Gonzalez.

Powell and Gonzalez talked for 40 minutes. Powell then delivered a lecture that was attended by the highest Argentine authorities. He was later invited by President Menem to a luncheon at the Olivos residence.

The working meetings at the Defense Ministry were attended by Brigadier General Andres Antonietti, chief of the joint staff; Lieutenant General Martin Balza, Army chief of staff; Admiral Jose Ferrer, Navy chief of staff; Brigadier General Jose Julia, Air Force chief of staff; and Military Affairs Secretary Juan Ferreira Pinho.

At the end of the meeting, Gonzalez told journalists that the meeting was "excellent" and that those participating talked about "an exchange of experiences and a series of theories on the Persian Gulf war, the operation of the U.S. joint chiefs of staff, and the desired level of training."

Gonzalez said the two governments "want to continue to exchange experiences, thus enabling Argentine officers and noncommissioned officers to attend courses in U.S. military academies and, in turn, U.S. officers may visit Argentine military institutions."

Gonzales said that Powell "was told that the equipment requested by the Armed Forces still stands." He added: "The subject of donations or freebies was never discussed, just the possibility of obtaining equipment at reasonable prices in keeping with our possibilities."

Gonzalez detailed the requests made one year ago, among which are "a multipurpose logistics ship for the Navy; Douglas A-4M "Skyhawk" planes for the Air Force; and helicopters and all-terrain "Jeep-like" transportation for the Army. [quotation marks as published]

The ship chosen for the Navy fleet has a displacement of 30,000 tonnes. It is a multipurpose ship that can operate as a logistics ship (transportation of supplies, ammunition, etc.); as a fuel tanker; or as a floating repair shop. The price and terms for this ship, and of a small patrol boat, are being negotiated.

Regarding the "A-4M Douglas" fighter bombers, Gen. Julia informed Gen. Powell that the Argentine Government has already placed the request for the first four planes for arrival next January.

Defense Minister Antonio Erman Gonzalez said that Argentine and U.S. technical committees are working "on the configuration, armament, and other equipment, also the price and economic terms for the transaction involving the planes."

The U.S. credit to reequip the Army will probably be used to purchase two Bell UH-1H helicopters similar to the ones currently used by the Air Force.

The credit will also be used to purchase about 100 all-terrain "Jeep-like" vehicles. The refurbishing of the M-113 armored personnel transport vehicles used by some mechanized infantry units has been postponed.

As for the antidrug struggle, Gonzalez said that Powell "fully agrees" with the Argentine position, in that the 'Armed Forces' should grant logistic support to security forces and be alert to a possible surge of narcoterrorism."

He added: "They (the Americans) are granting logistic support to security and police forces—radar, helicopters and other elements—that were previously used to check on Russian planes. This is now being used to control drug traffickers."

Gonzalez said that Powell told him the United States "plans to cut 1 million defense personnel within the program to cut expenses over the next three years.

This reduction will comprise "500,000 Armed Forces troops; 250,000 reserve troops; and 250,000 civilian employees." Gonzalez later discussed the military reform process.

Gonzalez also told Powell: "To cut expenses and facilitate the exchange of information, the Argentine Government is planning to build a "Pentagon" encompassing the Defense Ministry, the Joint Staff, and the general staffs of the three Armed Forces Branch."

After the meeting, Powell went by Army helicopter to the Olivos presidential residence for a luncheon attended by President Carlos Menem, military officials, and legislators.

In the afternoon, Powell met at Congress with members of the defense committees of the Senate and the Chamber of Deputies. This was his last official activity on his second day in the country.

Powell is scheduled to visit the Military School at 0830 on 12 November where he will meet with admirals, generals, and brigadiers on active service. He is then scheduled to hold a news conference. This will be his last activity before leaving for Chile.

Minister Says No Peso Devaluation Forthcoming

PY1311000692 Buenos Aires BUENOS AIRES HERALD in English 12 Nov 92 p 1

[Text] (DYN-NA)—From the highest reaches of the government, officials yesterday were eager to downplay the rocky financial market and the climbing dollar,

recognizing that "the air is thin" in the exchange market, but promising that "there will not be a devaluation."

For the first time since the convertibility plan took effect in April 1991, the Central Bank was forced to sell 108 million dollars in one day from the reserve fund yesterday to rein in a bullish dollar, which ended the trading day at 1.0015 to buy and 1.0025 to sell.

Economy Minister Domingo Cavallo responded by challenging the financial market to put the Central Bank's reserve supply to the test, while President Carlos Menem called an impromptu press conference to calm fears.

Menem explained that the dollar's gain "is normal in any growing economy" but didn't rule out the possibility of speculation. "There could have been speculative manoeuvres, because the Central Bank has all the dollars they could want and yet they chose to go to exchange houses instead," Menem told reporters gathered at Government House.

The President denied reports of instability in the "City" and called the media publishing such reports "liars." He said "someone wants a failure but they're not going to get one because this government is stronger and tighter than ever in terms of policy economy and even society itself," he said.

Speaking at a lunch organized by the Armenian Chamber, Cavallo said that the Central Bank has reserves to match every peso with a dollar and to guarantee the one-to-one exchange rate established by the convertibility plan.

Cavallo said that "if Argentine costs are high, we're not going to fall back on changing the parity between the dollar and the peso.

After the dollar's upward moves in the last 48 hours Cavallo ordered government banks to have available as many dollars as possible, while assuring that this is only a precaution since the dollar demand is normal and there are sufficient monetary reserves.

Bolivia

President Paz Appoints Five New Ministers

PY1311023092 La Paz Television Nacional Network in Spanish 0000 GMT 13 Nov 92

[Excerpts] President Jaime Paz Zamora this afternoon swore in four [as heard] ministers in the portfolios of finance, education, labor, and without portfolio.

The swearing-in ceremony was attended by Patriotic Agreement President General Hugo Banzer Suarez, the presidents of the two chambers of congress, executive and judicial branch officials, high-ranking military and police officers, and Patriotic Agreement leaders.

President Jaime Paz Zamora's new ministers were installed during a ceremony at the government palace on 12 November. Presidential Decree 23327 designating the new ministers says in the first article:

The following citizens are designated as ministers in the following portfolios: Minister Without Portfolio Roberto Pena, Finance Minister Pablo Zegarra Arana, Education and Culture Minister Olga Saavedra, Labor and Labor Development Minister Eusebio Gironda Cabrera, and Information Minister Jose Luis Lupo Flores. [passage omitted]

Television Nacional wanted to know what the new ministers expect to accomplish in their new positions. Education Minister Olga Saavedra emphasized the importance of teachers in the education of the new Bolivia.

[Begin Saavedra recording] First, I want to thank the people who recommended me for this difficult position. I am a teacher and I understand the situation in which other teachers are in. I love these teachers, I have their faces in my mind, I remember those men and women who have been my pupils because I have been a teacher for 33 years. [end recording]

New Finance Minister Pablo Zegarra will have a difficult job. He is only 29 and is younger than his predecessor. He will maintain the principle of macroeconomic stability with fiscal discipline and will continue the policy that the country cannot spend more than it has.

[Begin recording] [Zegarra, in progress] ...the reports presented at the Customs Office. We are talking about clear rules for the bidding of customs services.

[Unidentified reporter] How old are you, minister?

[Zegarra] Me, well, I am young. I am about to become 29. But that does not mean much, because I am the senior officer at the Finance Ministry. I have operated as an adviser for the political financial secretariat for five years. I have been treasury director for two years. I have been a general accounting under secretary for a year and a half. I think these experiences will help me to perform well. [end recording]

New Labor Minister Eusebio Gironda has had experience as labor under secretary. He is the only member of the Leftist Revolutionary Front. Gironda emphasized the three basic goals he will pursue in the next few months:

[Begin recording] [Gironda] In my opinion there are three main probems at this time: First, unemployment, which is something workers are complaining about. We will seek mechanisms to confront this serious problem; second: training and retraining of workers who have lost their jobs. For example, miners who have been relocated do not know how to do anything else. We have to teach them to protect themselves through retraining; and third, we need to redirect our labor relations. We want to do all of this in the short time we have. We will do our best.

[Unidentified reporter] Minister Pena, what do you expect to achieve as minster without portfolio?

[Pena] We expect to serve, to fulfill the challenge we are facing. The president entrusted us with this responsibility and we will do our best to do our share of the job in this final period of his administration. Let us expect that we are able to complement President Paz Zamora's work as efficiently as possible. [end recording]

Brazil

Attorney General Files Charges Against Collor

PY1311013792 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 12 Nov 92

[Text] Charges dealing with common crimes were filed today against suspended President Fernando Collor, 44 days after the vote for his impeachment.

Upon submitting the accusations to the Federal Supreme Court, Attorney General Aristides Junqueira asserted that the Paulo Cesar Farias scheme moved more than $55 million. The attorney general's office was able to discover the amount of money moved by the Farias scheme after a thorough investigation. According to the documents obtained from the Federal Police investigation, the $55,238,000 came from 25 companies for phantom accounts and also from Farias himself. This evidence is now in the hands of the Federal Supreme Court along with charges against 10 people.

Suspended President Fernando Collor will have to answer charges for passive corruption and illegal association. Charges were also made against nine people: Paulo Cesar Farias; former Secretary Claudio Vieira; Farias' secretaries Rosinete Melanias and Marta Vasconcelos; and Jorge Bandeira de Mello, the partner in the Brazil Jet company. Roberto Carlos Maciel, Jiovani Melo, Ricardo Campos, and Severino Nunes de Oliveira, all of whom were Farias' employees, were also accused by the attorney general for common crimes and will have to respond to the Supreme Court, because they are linked to the same investigation involving suspended President Collor.

Suspended President Collor may remain in the government another 180 days if the Chamber of Deputies authorizes the process for common crimes. Collor will have 15 days to present his defense. When the charges of passive corruption and illegal association are filed against a president, the process is then considered to be special. The charges are submitted to the Federal Supreme Court, but the process can only be opened if the Chamber of Deputies authorizes it. Justice Ilmar Galvao would notify Supreme Court President Sidney Sanches about the accusations, who would then ask for authorization from the Chamber of Deputies to open the process. The nine people who also have been accused with suspended President Collor are also subject to the same authorization, because there is only a single accusation. Therefore, it is necessary to have at least 336 deputies vote yes; otherwise the Federal Supreme Court cannot process the suspended president, and it will then have to send the other nine to a regular court.

But if the Chamber of Deputies authorizes the process, the Federal Supreme Court will give the suspended president 15 days to defend himself. Justice Galvao will then submit the report to the other judges who will either accept or reject accusations. If the accusations are accepted, the suspended president will have to stay for another 180 days. This is when the trial for common crimes begins.

Next week, the Federal Supreme Court will submit to Congress the request for authorization to try suspended President Fernando Collor.

We have a live report by Alexandre Garcia from Brasilia:

The 43 volumes containing the accusations arrived at the Federal Supreme Court exactly at 2000 tonight. They were delivered by an aide of the attorney general to the Supreme Court director who gave them to Supreme Court President Sidney Sanches, who in turn immediately gave them to Justice Ilmar Galvao. Paulo Cesar Farias, Claudio Vieira, and Roberto Carlos Maciel are being accused of corruption, illegal association, and crimes related to testimonies and documents. All the others are accused of illegal association and forgery of public documents. Private Secretary Ana Acioli and Pedro Collor are included as witnesses.

Federal Revenue Secretary Interviewed

PY0611010492 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Nov 92 Economic Section p 4

[Interview with Federal Revenue Secretary Antonio Carlos Monteiro by Jocimar Nastari in Brasilia; date not given]

[Text] [Nastari] Deputy Benito Gama (PFL-BA) [Liberal Front Party-Bahia], coordinator of the fiscal reform commission, has said that his reform proposal will be based on the basic principle of increasing the number of contributors and reducing the tax burden on individuals. What will the government proposal do?

[Monteiro] We want to increase the number of contributors and start a process of tax burden redistribution. Some contributors, such as producers, are taxed too heavily today. We are studying ways to reduce the tax burden on companies and to simplify tax requirements, particularly income tax (IR). Company costs to administer the IR are too great, particularly for companies that pay taxes based on real profits. Today these companies comprise a group of 280,000 contributors. We want supervision and control concentrated on companies that collect the most.

[Nastari] Benito Gama also has announced that he intends to propose IR reductions for individuals.

[Monteiro] The idea of Federal Revenue and the Finance Ministry is not to touch the IR on individuals. We will not change the 1993 [as published] declaration, or the collection at the source system during 1993. The exemption limit is quite reasonable (1,000 Ufirs [Reference Fiscal Units] at the source, or 4,852,510 cruzeiros in November). I also think that tax rates are at the correct levels at 15 percent and 25 percent.

[Nastari] Will the government propose the creation of the controversial financial transaction tax (ITF)?

[Monteiro] We are studying that alternative. It was first proposed by Councilman-elect Marcos Cintra, the only councilman elected for proposing the creation of a new tax. There is an interesting fact though. Polls show that the ITF has significant support in Congress. It is a tax that is easy to collect, it is difficult to evade, and does not influence the inflation rate that much, even though it can produce anomalies and distort the picture of some industries.

[Nastari] One of the harshest criticisms against the ITF is that it is very regressive and affects the poor and the rich indiscriminately.

[Monteiro] The ITF is a regressive tax. But the Brazilian tax system is markedly regressive. In Brazil, the income tax (a direct and progressive tax) has a relatively minor participation in this characterization compared with the IPI [tax on manufactured products], the ICMS [merchandise and services distribution tax], the ISS [service tax], and the Finsocial [social investment fund], among others. It is difficult to have a predominantly progressive tax system in a developing country. A progressive system is possible in developed countries where wealth and income distribution is better. In the United States, for instance, 93 million people pay income taxes while in Brazil only seven million people do the same.

[Nastari] Will the government proposal to create a selective tax on six items (gasolines, vehicles, cigarettes, drinks, electric energy, and telecommunications) replace the IPI partially or entirely?.

[Monteiro] We are studying the matter now. Congress also is studying that possibility. It will be included in the negotiations.

[Nastari] Is Federal Revenue studying a reduction or the suspension of fiscal incentives?

[Monteiro] Incentives represent nearly 2 percent of the gross domestic product [GDP]—nearly $4.8 billion—today. There are incentives that cannot be suspended because they are mandated by the Constitution. They were conceived in real conditions and terms. An example are the income tax incentives for the north and northeast states. But there is a great number of incentives that could be suspended over a certain period of time. That is what we are analyzing.

[Nastari] How much fiscal adjustment does the government want?

[Monteiro] We are not just proposing a tax reform, but also a fiscal reform involving tax changes, cuts, and a better spending administration. We want to reestablish our historic tax burden level. Today, the annual tax burden is around 21 or 22 percent of the GDP (from $88.2 billion to $92.4 billion). We want to increase that level to 25 percent ($105 billion) in 1993 and to 26 percent ($109.2 billion) in 1994.

[Nastari] Do you intend to increase the number of Federal Revenue [FR] supervisors rapidly from the 5,500 it employs today to the nearly 12,000 the FR employed at the beginning of the decade of the 1980's.

[Monteiro] We should not think in numbers alone. We must concentrate on quality and honesty. I still am studying the matter, but besides contracting supervisors (there are 9,000 open positions) we want to modernize Federal Revenue technologically. That is why I will designate a secretary who will be solely responsible for taking care of the institution's computer system.

[Nastari] Will Federal Revenue live up to the lion's image?

[Monteiro] The lion is rather old, without teeth, and has acquired a white head of hair in the past few years. I would not like to put on the skin of such a violent and ferocious animal. I would prefer an image of efficiency for the institution.

Chile

Aylwin on Agreements Signed During Malaysian Visit

PY1211192092 Santiago Radio Chilena Network in Spanish 1600 GMT 12 Nov 92

[Excerpts] President Patricio Aylwin ended his visit to Malaysia by inviting the king of that country to visit Chile.

President Aylwin referred to the some of the achievements of his visit as follows:

[Begin Aylwin recording] We signed an agreement through which a Malaysian enterprise will invest in gold prospecting in the 5th Region of Chile, and another specifying the implementation within 1 year of a contract between the CAP [Pacific Steel Company] for the sale of iron ore, as well as an agreement worth $18 million for Malaysian investment in a gold mine in Andacollo. [end recording]

Agreements were signed for the construction of a building in Santiago by Malaysian businessmen and for the dedication of shoe factories through Chilean-Malaysian joint ventures.

These four agreements were signed at the government level: One to protect investments, a cultural exchange agreement, a memorandum of understanding on air transportation to Chile, and an agreement allowing Chile to join the Group of 15 informatics center. [passage omitted]

In the next few hours Aylwin will start a four day visit to the PRC.

Zaldivar Declines Nomination, Cites Party Unity

PY1211201092 Santiago Radio Chilena Network in Spanish 1600 GMT 12 Nov 92

[Excerpt] Senator Andres Zaldivar, Christian Democratic Party chairman, has officially announced that he will not register as a presidential hopeful to avoid an internal personal campaign, and committed his support to Eduardo Frei. He said the following:

[Begin Zaldivar recording] My main concern is to avoid an internal party confrontation through a personal campaign because we do not have differences in our platform and the campaign will only hurt the chances of the candidate that is elected. I think you have to be consistent in politics and act accordingly. [end recording]

Zaldivar said his decision seeks to strengthen unity, dialogue, and internal discussions because this is the best course for the party and for the coalition. Zaldivar said he will support any presidential candidate elected by the party, and if Frei is elected he will support him. [passage omitted]

Colombia

Defense Ministry Announces New Commanders

PA1211223992 Santa Fe de Bogota Radio Cadena Nacional in Spanish 2125 GMT 12 Nov 92

[Communique issued by the Colombian Defense Ministry in Santa Fe de Bogota; read by Colonel Eduardo Arevalo Castaneda, chief of the Defense Ministry Public Relations and Protocol Office—live]

[Text] The Colombian Defense Ministry informs that on 12 November the national government accepted the requests for retirement from active duty recently tendered by General Manuel Jaime Forero Quinonez, who was commander of the Air Force and acting commander of the Military Forces; Gen. Manuel Alberto Murillo Gonzalez, commander of the Army; and Admiral Gustavo Angel Mejia, commander of the Navy. The national government, especially the president of the Republic and the defense minister, want to thank these officers for the total dedication, professionalism, and patriotic spirit with which they observed the highest ideals of the fatherland. Their life in the armed institution is a permanent example that has left an indelible mark.

The new line of command of the military forces was reorganized on 12 November as follows:

Major Gen. Ramon Emilio Gil Bermudez, commander of the Military Forces; Maj. Gen. Luis Alberto Rodriguez Rodriguez, chairman of the Joint Chiefs of Staff; Maj. Gen. Hernan Jose Guzman Rodriguez, commander of the Army; Vice Admiral Hernando Garcia Ramirez, commander of the Navy; Brigadier Gen. Alfonso Abondano Alzamora, commander of the Colombian Air Force.

The Defense Ministry also informs that Gen. Luis Eduardo Roca Maichel remains in active service in the personnel section of the Army Command. He is undergoing medical treatment for the illness that has affected him since the middle of the year.

In addition, Gen. Farouk Yanine Diaz has been appointed delegate to the Inter-American Defense Board. Vice Admiral Alvaro Campos Castaneda has been appointed military attache in the Colombian Embassy to the Canadian and U.S. governments

In the next few days, the various forces will inform the public of the changes that may take place in the General Staff, operational unit commands, and their equivalents in the Navy and Air Force and other departments.

All of these changes are part of the normal dynamics of the military forces that traditionally take place at the end of the year.

Urban Guerrilla Terrorism Continues

PA1211235792 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 12 Nov 92

[Text] Urban guerrilla terrorism has moved in recent hours to Barranquilla and Soledad in Atlantico Department. Two bombs exploded in Barranquilla; one at a Bancoquia Bank branch and another at the Cafetero Bank.

A third explosive device containing two kg of dynamite was defused by police experts.

Investigations are under way to determine what happened at Soledad, where a bomb was placed at a telephone connection panel [registro telefonico] that had been inspected twice by alleged telephone company officials the previous day.

[Santa Fe de Bogota Radio Cadena Nacional in Spanish at 2336 GMT on 12 November reports from Medellin: "Two policemen killed, another two wounded, along with a woman, is the result so far of a dynamite attack just a few minutes ago on a metropolitan police patrol in the Manrique neighborhood. The authorities reported that the attack occurred on Avenue 43 and 71st Street as the patrol car drove by. The bomb was activated from an electricity pole. The three injured people are being treated at a Medellin hospital."]

Police Arrest Eight Responsible for Medellin Attacks

PA1311010392 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 12 Nov 92

[Text] The first of the individuals responsible for attacks on the Immediate Attention Centers [CAI] have been captured in Medellin, including one former policeman. Six policemen have been killed in recent hours, bringing the number of policemen murdered to 30.

Police captured eight individuals charged with blowing up CAI's and killing policemen. Police seized pistols, revolvers, radio communications equipment, and blueprints of the CAI's that were recently blown up in Medellin from the arrested men.

A former member of the National Police accused of the recent murders of several policemen in this city is among the eight arrested individuals.

The operation to capture the eight men was carried out after Sergeant Henry de Jesus Marin Agudelo was murdered in Buenos Aires neighborhood after he ended his shift at the Metropolitan Police Command. Corporal Jairo Merchan Ortiz and Officer Robin Pulido Franco were killed in Envigado Municipality while they were working for the Directorate of Judicial Police and Investigations.

Sgt. Guillermo Leon Alzate Acevedo, who was working at the Antioquia Police Command, was killed on the morning of 12 November in the western part of the city. His wake was held on 12 November at the police station.

Meanwhile, the regional directorate of the Communist Party of Colombia, Medellin section, charged on 12 November that its office in this city had been raided and five members of that political group arrested.

[Begin Patriotic Union Deputy Beatriz Gomez recording] Our financial files and some checkbooks were seized. [end recording]

Free Trade Zone With Ecuador Established

PA1211042192 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 11 Nov 92

[Text] A free trade zone between Colombia and Ecuador went into effect on 11 November when the two governments ratified the agreement on the transit of persons, vehicles, riverboats, and airplanes. President Gaviria and Fernando Cordova Bosano, Ecuador's ambassador to Colombia, signed the agreement on 11 November at the Narino Presidential Palace.

The agreement also reflects the ties of friendship, assistance, and cooperation in judicial matters and in recovering the means of transportation that were lost in illegal actions.

National Centers of Attention at the Border [Centros Nacionales de Atencion en Frontera], Cenaf, will be established to inspect and approve the necessary documents for entry and exit from both countries.

Ecuador

Colombian Rebels Reportedly Enter Ecuador

PA1211155792 Quito Voz de los Andes in Spanish 1200 GMT 12 Nov 92

[Text] Colombian Police sources report approximately 200 members of the Simon Bolivar Guerrilla Coordinating Board [CGSB], who murdered 26 policemen on Saturday, 7 November in Putumayo Department, fled toward Ecuador while they were being chased by the Army. The CGSB is comprised of the Revolutionary Armed Forces of Colombia, the Army of National Liberation, and a dissident group of the former Popular Liberation Army.

The subversives attacked the police post which protected Orito, a Colombian oil zone on the Ecuadoran border, and killed 23 policemen who were on duty. Orito Mayor Humberto Narvaez said the Army is constantly exerting pressure on the subversives; adding 29 guerrilla members have died in the operation.

Colombian Police sources report approximately 200 CGSB members fled to Ecuador as they were being chased by the Army, but Ecuadoran defense ministry authorities said they have no information on the arrival of these guerrilla members.

Army Increases Patrols on Border

PA1211235192 Quito Voz de los Andes in Spanish 2309 GMT 12 Nov 92

[Text] We have just received a press bulletin from the Defense Ministry stating the following: The Defense Ministry has reported that upon learning of the Colombian Government's decision to openly fight Colombian guerrillas, particularly in the Amazon region, it has ordered the air, land, and river patrols intensified to prevent Colombian guerrillas from entering Ecuadoran territory.

It was stated that Ecuadoran military patrols are currently safeguarding the area of Putumayo and the Colombian-Ecuadoran border, but there is no news to report so far.

The Defense Ministry news bulletin further states that emphasis was placed on the fact that the government is determined to fight drug trafficking and guerrillas in our country. Therefore, the members of the Ecuadoran Armed Forces have imposed strict controls on all our borders. This is being done to prevent foreign guerrillas from infiltrating the country and to maintain the Ecuadoran people's internal peace and tranquillity, the Defense Ministry press bulletin concluded.

'Terrorists' Attack Radio Station, Steal Equipment

PA1211010292 Madrid EFE in Spanish 0025 GMT 12 Nov 92

[Text] Guayaquil (Ecuador), 11 Nov (EFE)—A group of attackers shouting "Long Live President Gonzalo's Revolution" (founder of the Peruvian terrorist Shining Path group who is under arrest) on 11 November attacked a radio station in Guayaquil Port and stole communications equipment.

Radio Guayaquil announcers and workers charged they were mistreated by the attackers and alleged terrorists who tied the radio employees' hands and blindfolded them and then fled, taking distance radio communications equipment with them.

"They did not touch the computers or other radio station property, because apparently they were only interested in the equipment they stole, which is worth approximately 20 million sucres," about $10,000, said one Radio Guayaquil employee.

This is the second time the Ecuadoran media have been attacked by alleged terrorists who identify themselves with the rebel group of the neighboring country.

An explosive device was detonated on 1 October at the Telecentro Television station causing considerable damage.

At that time pamphlets found at Telecentro referred to a group that claimed it formed part of the "New Type Ecuadoran Communist Party" with a "Marxist-Leninist-Maoist" tendency. This group claimed credit for two other attacks in Quito. The pamphlets also urged people to "defend the life of Abimael Guzman," the Shining Path leader who was recently sentenced to life imprisonment.

* Economic Adjustment 'Will Not Be Enough'

93SM0030C Guayaquil EL UNIVERSO in Spanish 12 Oct 92 p 2

[Text] The economic-adjustment program that the administration has implemented will not be enough to overcome the crisis and could even worsen it unless government spending is cut and the budget is kept from becoming a "payroll" and is instead turned into a tool for development.

This assertion is explained in detail in a report from the Studies and Analysis Center (CEA) that addresses the issues of the budget deficit and austerity.

Finance Minister Mario Ribadaneira Traversari told the country that the deficit of the entire public sector stands at 1,301,500,000,000 sucres, which is equivalent to 7 percent of the GDP.

Public Sector Deficit

The breakdown of the current deficit is as follows:

Item	Amount (in sucres)	Percentage of GDP
1. Central government	218.8billion	1.2
2. Major state enterprises	220.0billion	1.2
Ecuadoran Institute of Electrification	154.6billion	
Ecuadoran State Petroleum Enterprise	20.6billion	
Ecuatoriana	12.9billion	
Telephone Company	11.0billion	
3. Rest of public sector	580.7billion	3.1
Attached agencies	213.6billion	
Municipalities	47.1billion	
State Bank	27.7billion	
Ports	17.7billion	
4. Off-budget (Central Bank)	282.0billion	1.5
Total	1,301.5billion	7.0

Source: "Weekly Analysis"

Measures Taken

To reduce the deficit to manageable levels, but not eliminate it, a decision was made to boost tax revenues by hiking electric-power rates and fuel prices and by taxing business assets, and to cut public spending.

"Weekly Analysis" contends that the hike in fuel prices will bring in 292.3 billion sucres; higher electric-power rates, 60 billion; and the assets tax, 49.7 billion, making a total of 402 billion sucres.

The same source contends that the government spending cuts, which were initially set at 70 billion sucres, are offsetting most of the 78.5 billion sucres in extra

spending arising from previous measures, commitments to the Municipality of Guayaquil, wage compensation for the public sector, and transportation subsidies.

No Sweeping Changes

Nothing has been done, however, to make the more sweeping changes that are needed to streamline government spending, such as reducing the size of government through privatizations and cuts in the civil service.

The latter item was addressed in the early retirement bill that was defeated in the National Congress. The bureaucracy currently has 550,000 employees.

The elimination and merger of several small government agencies are still pending; this will reportedly be accomplished under an arrangement that will give workers who lose their jobs appropriate compensation.

The Studies and Analysis Center finds it outrageous that over the past four years Ecuador's General State Budget has increased by 546 percent while in other countries the government is transferring companies to the private sector. It also discloses that spending from 31 December 1988 to December 1991 was up 311 percent while the cumulative inflation during the period was 243 percent.

Incompetent State

The CEA notes that without question Ecuador has expanded the public sector to an absurd degree, neglecting its fundamental tasks of education, health care, roads, sanitation infrastructure, the courts, and defense while spreading itself thin in areas that are not its responsibility.

The time for change has come, it notes, because the Central Bank's budget and off-budget deficits have been financed through inflation, which is the most unfair tax of all because it punishes mostly the country's poorest groups.

In this connection, the CEA says that the country should support the finance minister's decision to have the General State Budget contain all government expenditures and revenues, including those of the autonomous agencies and public-sector enterprises.

"This is the only way to prevent austerity from becoming an illusion that affects no more than half of the privileged institutions. Left unaffected are those institutions having laws and statutes that impair national unity by turning them into fiefdoms that squander funds, in stark contrast to a central government budget that must be overspent in order to meet minimum needs."

* Status of Privatization Process Described

93SM0030B Guayaquil EL UNIVERSO in Spanish 7 Oct 92 p 2

[Text] Quito—The National Council of State Modernization, chaired by its executive director, German Penaherrera, is appraising the various state-run enterprises that will be privatized during this administration.

The recently created council will decide on the policies that will be followed to modernize and privatize state-run firms, the secretary general of administrative development, Benjamin Rosales, asserted. It will decide what enterprises ought to be privatized and which ones will undergo modernization. As for privatization, two fundamental categories should be distinguished: the enterprises in which only shares will be sold, and the ones that require specific laws to be privatized.

As for their appraisal, it is important to know how much an enterprise and each of its shares are worth before putting them on the market. Some examples here, Rosales said, are the enterprises that fall within the scope of the Financial Corporation, such as the ones under the National Development Bank, while the Quito Hotel belongs to Social Security and would operate much better if privatized.

Rosales had this to say about the enterprises that have to be privatized under a special law: "The laws have to be drafted carefully in these cases, whether to privatize them or make state-run enterprises more efficient and give them an area of responsibility." If there is an area of responsibility, state-run enterprises would strive to do a better job, the national secretary of administrative development said.

State Assets

The campaign to protect state assets has intensified, so much so that at the moment an inventory of all assets of the various public institutions is being done. Once the inventory is available, a study will be conducted on which ones are being used efficiently and which ones are not so that those without a specific function can be sold, Rosales announced.

Certain institutions have clubs that are truly extravagant, with their few employees having associations for three times as large a staff. So, the possibility of merging the functions of a club is being looked into so that it can be used by the personnel in several government agencies. The ones left over will be sold, he stated.

Moreover, the governors of each province have been instructed to keep very close tabs on government vehicles so that they are used only for commuting, with attention to fuel consumption and wear and tear.

Staff Cuts

Even though at the moment there is no complete register of civil servants in the country, Rosales estimates that there are about 350,000, not counting the police and Armed Forces.

The civil service payroll will be reduced by around 30 percent, area by area. In education, for example, where there are about 100,000 teachers, there will not be cuts as such. Rather, there will be a housecleaning of staff so that salaries are paid to the people who work, not to those who are living overseas while their relatives collect their salaries here, Rosales stated.

* Energy Minister on Privatization, Oil Production

93SM0030A Guayaquil EL UNIVERSO in Spanish 10 Oct 92 p 3

[Report on interview with Andres Barreiro, minister of energy and mines, by unidentified reporter on 8 October; place not given:Barreiro: Electric Power Sector Will Be Privatized]

[Text]

- Bids will be taken in 1993 for gas from the gulf and the seventh round of oil exploration
- Electric power will be privatized all over the country
- A company wanting to replace EMELEC [Ecuadoran Electric Power Enterprise] must pay $43 million
- State will assume EMELEC debts to Petroecuador [Ecuadoran State Petroleum Enterprise] and INECEL [Ecuadoran Institute of Electrification]
- There are no major hopes for production in the Pacoa oilfields
- Current wells will not be drawn down
- New output of up to 74,000 barrels will come on line in 1993
- Previous government was using up oil reserves

Any company that wants to replace EMELEC as the supplier of electric power in Guayaquil will have to pay $43 million, since the state will be assuming its debts to Petroecuador and INECEL, said Energy and Mines Minister Andres Barreiro Vivas.

Barreiro Vivas chatted last Thursday for two hours with the Editorial Consulting Council of the newspaper EL UNIVERSO, emphasizing his policy to privatize electric power in all of the country's cities.

The cabinet minister recalled that President Sixto Duran-Ballen said that the transfer of EMELEC would be based on a "direct negotiation" between it and the interested companies.

Direct Negotiations

In this regard he said that Guayaquil's business community has to sit down and negotiate with the owner of EMELEC, John Scopetta. He revealed that businessmen told him two weeks ago that they would have all of the pertinent studies ready by 15 October.

We have to refer to the arbitration ruling in these negotiations, he indicated, a ruling that puts EMELEC's "fair price" at $103 million (rounded off). When EMELEC's debts to Petroecuador and INECEL are subtracted, the result is $43 million.

"So, $43 million is what any company wanting to buy EMELEC must pay, because this is the difference between accounts receivable and accounts payable," he noted.

The state will have to pay off EMELEC's debts to Petroecuador and INECEL.

"This business of Ecuador losing out on the bottom line is the worst sort of demagoguery being used against EMELEC and Guayaquil, because for 10 years, from 1982 to 1992, the state stopped funding the enterprise's stabilization account, which calls for a guaranteed return of 9.5 percent, by freezing its rates."

Privatizing the Utility

Barreiro Vivas emphasized that he is not defending EMELEC and that he considers this a historic mistake. "I am defending my city so that its private electric-power company, which was the foundation of its growth, is not snatched from it. I have seen Scopetta maybe three times in my life, and I would surely not recognize him in the street," he said.

"What I am after," Barreiro asserted, "is to privatize the electric-power utility in all Ecuadoran cities, and we are working on this. Industrialists in Quito are already setting up the Quito Electric Power Enterprise, although somewhat more slowly. And they will be given the chance to make a profit."

As for the deadline that the Superior Court set for the purchase of EMELEC, Barreiro made clear that this is not the deadline for the state to decide whether to buy the enterprise or not, since a decision in this regard has already been made. The Superior Court of Guayaquil gave 90 days for the private Guayaquil company to negotiate directly with EMELEC. This is what should be of concern, he noted.

Ninety Days Are Up

Now then, if the private company does not sit down to negotiate by the end of 90 days, there are two alternatives: either the state has to buy it, or the contract with EMELEC simply remains in effect.

After a private firm acquires EMELEC, the state will have to negotiate a new concession. But this will also be done with all of the country's electric-power companies. A specific return will not be guaranteed to them, but they will be offered conditions under which they can make money, survive, and grow, he indicated. The aim is to turn customers of these utilities into shareholders.

He explained that Electroquil will not necessarily be the company that replaces EMELEC, because it has merely bought three turbines to prevent Guayaquil from having electric-power rationing any time soon. "If we were a bit more logical in this country, we would decorate Electroquil instead of waging a silent, absurd war on it," inasmuch as its shareholders accepted a energy rate surcharge to buy the 75 megawatts of turbines so that the city does not have power cutoffs like before.

Avoiding Rationing

He indicated that previous rationing had cost the country $200 million.

The hope is, he said, that if the three turbines that Electroquil plans to buy can be installed by December, with an additional 75 megawatts from plants that INECEL has repaired, the adverse effects of the low water level can be warded off. Businessmen can play a major role in this regard, because there is no reason to wait for the government to solve everything.

He noted that those who charge that Guayaquil and its electric-power company owe INECEL the most money do not understand that this is because this city consumes 48 percent of all the energy in the country.

OPEC not Beneficial

As for oil, Barreiro Vivas emphasized that belonging to OPEC is of no benefit to Ecuador because it does not provide technical assistance or buy or sell its oil.

He added that the proponents of continued membership are not mentioning that Ecuador has failed to pay its dues for the past three years.

When the OPEC secretary general visited our country during the transfer of power, the first thing that he did was "show us the little bill."

Barreiro Vivas also asked what the opponents of the decision mean when they say that production is going to be increased by depleting oil reserves. "For four years they were using up our oil reserves, because new wells were not found, nor was a single exploration contract signed during the sixth round."

New Wells on Line

He explained that the increase in production that has been talked about stems from new output by Maxus and Occidental next year; there is no chance of boosting output by a single barrel in 1992.

Wells that Maxus and Occidental have already discovered will be brought on line in March 1993 and add 15,000 barrels, with another 20,000 barrels in July, 24,000 in October and November, and 74,000 barrels to round out the picture in December. In addition, there are plans to put the seventh round of oil exploration up for bids in 1993. As for production by Tripetrol on the Santa Elena Peninsula, he contended that the outlook is not encouraging.

He added that the 5,000 barrels that the Paco well will yield are high quality (grades 29 and 30 API), and those working the zone can reasonably expect to make a profit. He went on to say that there are plans to award Tripetrol an additional strip of land in which it could find a larger, less fragmented well like the present ones.

Gas From the Gulf

Barreiro Vivas stated that the projects to develop gas from the gulf are completely different, since the prospects there are good. He reported that his idea is to put it up for bids in 1993.

He asserted that unofficially there are known to be more gas reserves than were initially thought. There is a chance of finding methane gas, which is used in fertilizers and thermoelectric plants, and methanol, which is in heavy demand worldwide.

He noted that the latter is more encouraging because the fertilizer market is saturated and methane is expensive to use in thermoelectric plants.

Black Hand

In contrast, methanol is in heavy demand because it replaces lead and can be added to gasoline to cut pollution.

According to Andres Barreiro, the project to develop gas in the Guayaquil Gulf has always involved "a historical black hand." Consideration has been given to bringing the French firm Totar into the bidding that will be held next year since it had been previously involved and knows the formalities it will have to conduct.

New Oil Era

Andres Barreiro said that if time and God so permit, he plans to undertake a "total transformation" of the ministry and of Petroecuador so as to attract foreign investment and begin a new era of oil exploration in the country. This is tied in with the seventh bidding round.

He noted that if petroleum production is boosted, there are also plans to build a new pipeline through Monteverde or a similar area to avoid earthquakes and other problems plaguing the existing one, which is starting to break down because some sections of it are 20 years old.

As for oil spills, Barreiro asserted that these are due to weakened monitoring regulations because the inspection officials would rather live in Quito than on site.

The most recent spill involved 8,000 barrels of oil, he indicated, and the guilty parties will be punished severely. He said that it was due to human error.

Mining Potential

As for mining, Andres Barreiro revealed that Ecuador has the potential to become the third largest exporter of gold, with amounts ranging from 100 to 150 tons a year.

To this end an effort will be made to amend the mining law so as to allow foreign investment, and a computerized land registry will be compiled to identify the available areas.

He said, however, that the benefits from mining come only in the long term, an average of 10 years. Nevertheless, he will devote particular attention to it because in 10 years Ecuador could be developing its heretofore untapped resources.

[Box, p 3]

Before Taking Office, I Was Threatened With Impeachment

Several deputies in the National Congress want to get rid of not just a minister but an "uncontaminated policy" that will work for the country, the energy minister said with regard to his reported impeachment.

Politicians find it odd that a person outside the oil business with a new way of looking at politics can serve as energy minister, he contended.

He said that he is the first minister in Ecuador's history who has been threatened with impeachment before taking office.

Barreiro says that the deputies have turned in 190 questions to him. If we divide them by the number of working days, subtracting the ones that he was abroad, we find that he has to answer five questions a day. He will thus be devoting much of his time to these questions when he ought to be addressing truly important matters.

He said that they are even asking him questions about issues that the ministers of previous governments ought to explain, which is odd.

This situation gives an idea of the "political extremes that can be reached because of overly dogmatic deputies," he noted.

He also stated that it is absurd and amoral for the government to pay a minister a salary of 120,000 sucres. "If my company did not pay me a salary, I could not survive," he noted.

Paraguay

Reportage on Colorado Party Internal Elections

Postponement Requested

PY1311120092 Asuncion ABC COLOR in Spanish 13 Nov 92 p 2

[Excerpts] The internal elections of the Colorado Party, scheduled for 15 November, are now in doubt. Everything hangs on a decision that must be handed down today by the party's electoral board which will hold a key meeting at 1100 [1400 GMT] to discuss a request that the elections be postponed, made by the [Juan Carlos] Wasmosy-[Angel Roberto] Seifart ticket. The [Luis Maria] Argana-[Juan Bautista] Ybanez ticket submitted a note opposing the postponement. The Supreme Court must also decide if Colorado Party members who do not have their identity card numbers as well as their party registration will be able to vote.

The Colorado Party's Electoral Board will meet today at 1100 at party headquarters to decide on the request to postpone the internal elections as submitted by the Wasmosy-Seifart ticket, and on the request that the elections be held as submitted by the Argana-Ybanez ticket.

The Electoral Board simply did not meet on 12 November to discuss the two requests and thus avoided making a decision. Members of this party organization talked for 15 minutes at party headquarters but, in view of the turn of events regarding the internal elections, decided to postpone their meeting until today. [passage omitted]

According to reliable sources, the Electoral Board is divided into two factions: The majority that supports Wasmosy-Seifart, and the minority that supports Argana-Ybanez. [passage omitted]

Court To Decide Party Membership

PY1311121892 Asuncion ABC COLOR in Spanish 13 Nov 92 p 2

[Excerpt] It is up to the Supreme Court to decide whether those Colorado Party members who figure on the party register but who do not have their identity card numbers besides their names will be excluded from the register. This follows a decision handed down by the Asuncion Electoral Court on the afternoon of 12 November in which it was indicated that the appeal submitted a few hours earlier by the executive board of the Colorado Party has been accepted.

The Supreme Court will have to expedite its decision because there are only 48 hours before the Colorado Party internal elections (subject to a decision to be handed down by the party's Electoral Board) in which candidates for president, vice president, 45 senators, 80 deputies, a governor for each department, and members of the Departmental Boards must be elected. [passage omitted]

Top Officers Support Wasmosy-Seifart

PY1211170192 Asuncion ABC COLOR in Spanish 12 Nov 92 p 7

[Text] At the end of the meeting at Armed Forces Headquarters on 11 November, high-ranking members of the military commented that they will support the [Juan Carlos] Wasmosy-[Angel Roberto] Seifart ticket in the internal elections of the ANR [National Republican Association—Colorado Party] that will be held on 15 November. The Armed Forces officers stressed that "Arganaism" [referring to presidential candidate Luis

Maria Argana] is the revenge of the Stroessnerists [referring to ousted dictator Alfredo Stroessner] who were dislodged from power on 2 and 3 February 1989 and who now intend to again obtain political space. These officers also commented that there is no legal impediment that prevents them from voting in the internal elections on 15 November.

The military chiefs indicated that the decision to support the Wasmosy-Seifart ticket has not emerged from any type of pressure or obligation imposed by the commander in chief, General Andres Rodriguez. The decision is based on the necessary cohesion that must exist to ensure that the transition process will lead to democracy.

They indicated that if they supported Argana they would not be cohesive because many important Stroessnerists are supporting Argana. They stressed that there would be no sense or significance in the deaths that occurred on 2 and 3 February if support is given at this time to those who provoked that situation.

An important Armed Forces member said: "We must respect the blood that has been shed and we must ensure the continuity of the democratic process. Arganaism represents the Stroessnerism we dislodged to give the people the freedom that had been absent for so many years."

Another Armed Forces member commented that there would not be much cohesion in supporting a ticket that supports the return of the unseated dictator. "Why was there a need for the revolution if now we are going to support the people we fought on 2 and 3 February?" he said.

The military chiefs also indicated that they will respect the election results, "as is always done in a democracy." They pointed out that the Armed Forces are subject to democracy's rules of the game, and, respecting these rules, they will obey the popular will.

Moreover, they made it clear that as Colorado Party members they consider that the Argana-[Juan Bautista] Ybanez ticket is not exactly the best option for the country.

They emphasized that Arganaism is a backward step in the democratic process, and they stated that an eventual victory of the Argana group would not be convenient for the country nor for its economic, social, and political development.

The Armed Forces officers acknowledged that it was impossible for them to be activists in party politics, but they stressed that they would vote in the ANR's internal elections.

In a brief evaluation, the officers stated that if Arganaism wins the internal elections, they will grow through the incorporation of many of its members into public institutions. "They must necessarily pay for the support that has been given to them, and it is our belief that they are used to maintaining their followers at the cost of state institutions. Prebends and patronage are synonyms for Stroessnerism," a high-ranking military spokesman said.

Army Commander in Chief General Pedro Concepcion de la Cruz Ocampos confirmed that many Armed Forces officers will participate in the ANR's internal elections on 15 November. He stated that there is no legal impediment, and he indicated that it is a right they have because they are Colorado Party members.

He also said that many officers became ANR members on their own initiative many years ago, and he reiterated that there are no legal obstacles to their right to vote in the internal elections.

Peru

Fujimori Family Transferred to Military Facility

PA1311160892 Madrid EFE in Spanish 1500 GMT 13 Nov 92

[Text] Lima, 13 Nov (EFE)—Peruvian President Alberto Fujimori, his wife Susana, and several of their children were urgently taken at dawn on 13 November from the Government Palace in downtown Lima to an unspecified military installation in the southern part of the city.

Carlos Orellana, chief of the Presidency's Press Office, told EFE that approximately 200 soldiers at 0300 (0700 GMT) carried out an "unusual" operation at the Weapons Square [Plaza de Armas] in downtown Lima at the Government Palace and transferred President Fujimori's family to a military installation.

Orellana added that the "unusual" military operation may be due to a stepping up of security measures to protect the Peruvian president's life as Peru approaches the date of the Constituent Congress elections, scheduled for 22 November.

Orellana said that Fujimori and his family may have been urgently taken to the Defense Ministry in the San Isidro residential area or the Military School in Chorrillos east of Lima.

Traffic has been prohibited around the Government Palace, where approximately 20 soldiers are standing guard outside and four vehicles with more troops are positioned at the corners of the building.

Orellana said that on 13 November the security forces discovered an abandoned minibus at Plaza de Armas in front of the Government Palace, and they are investigating the possibility that it may be loaded with explosives.

Before Fujimori took office in July 1990, he lived for a while at the Defense Ministry; since then he has spent days at military installations.

The press chief insisted to EFE that things are normal at Lima's military installations and garrisons. The Defense Ministry has not issued any communique regarding the

"unusual" operation whereby the president's family was transferred to a military installation, which could be due to an increase in security measures.

Orellana recalled that the security forces recently announced the discovery of a plan to murder Fujimori during his next visit to the city of Camana in southern Peru. The security forces have announced that a suicide commando from the Maoist Shining Path had planned to murder Fujimori in Camana, but the plan has been thwarted by the military.

Free Trade Agreement Signed With Bolivia

PA1311044492 Lima Global de Television Network in Spanish 0100 GMT 13 Nov 92

[Text] Peru and Bolivia signed a treaty in La Paz on 12 November to completely open their commercial borders and establish a free trade zone.

Jorge Camet, Peruvian minister of industry, commerce, and integration, and Bolivian Foreign Minister Ronald MacLean signed the free trade agreement at the Bolivian Foreign Ministry during a special ceremony. Government officials and diplomatic representatives from both countries were also present.

Peru will be Bolivia's main Andean Pact commercial partner as the agreement eliminates trade restrictions except those on soybean and sunflower oil, which will be taxed, and temporary taxes on beef exports.

[Begin recording] [Bolivian Ambassador Alberto Violand] This agreement is very important because it opens doors to increasing bilateral trade. Taxes on 6,000 articles were eliminated, therefore we expect trade between our two countries to increase 50 percent in 1993.

[Ruth Benavente, president of the Iquique Free Trade Zone] This is one of our government's greatest achievements because not only will trade conditions be enriched at the private level, but opportunities will become available to develop trade through small enterprises, thus making it possible for Peruvians and Bolivians to sell and promote our products. [end recording]

Police Commanders Discuss Internal Problems

PY1211141692 Lima CARETAS in Spanish 5 Nov 92 pp 30-32, 48

[Excerpts] The second annual meeting of the National Police Command was held on 29 and 30 October in Los Cibeles garrison in Rimac District. Forty-nine police generals met there to make a diagnosis of the state of the institution in the whole country. Interior Minister Juan Briones Davila opened the meeting and President Alberto Fujimori attended the closing ceremony, which took place at the Costa Verde Salvation Unit.

On 30 October, the dictator again expressed his preelection overoptimism. Fujimori firmly ordered the police to liquidate all members of the Tupac Amaru Revolutionary Movement by July 1993 and of the Shining Path by 1995. The generals listened to his words in astonishment because one of the subjects discussed during the meeting was precisely the struggle against terrorism and several limitations that undermined their actions.

For example, Section 3A of the document on the meeting's conclusions signed by all the generals flatly states: There is a lack of coordination among the police units operating against terrorism, causing disorder and loss of clues and evidence.

The document also states that "the Dincote [Counterterrorism Directorate] is still in an organizational stage but soon it will be expanded to the provinces with the appropriate logistical support."

The chiefs of the police regions and generals said they did not know if any antisubversive plan is under way and that each regional office operated as it thought best according to its zone's needs.

Point 4 of the document refers to intelligence services, which "are operating with relative efficiency given that, among other factors, some of the Regional Intelligence Offices [Oficinas Regionales de Inteligencia—ORI] do not transmit information or security plans on time to the Intelligence Directorate [Direccion de Inteligencia—Dirin], creating difficulties for the Police Command in making decisions." [passage omitted]

Just like the struggle against terrorism, the struggle against drug trafficking is another of the main problems currently faced by the PNP [Peruvian National Police]. The merging of all the antinarcotics units has not yielded the expected results. No national or international drug trafficking gang has been arrested during Fujimori's administration, which is a good indication of how the antinarcotics policy is faring.

One must take into account that the National Drug Trafficking Intelligence Service has created that National Drug Trafficking Investigative Directorate [Direccion Nacional de Investigacion del Narcotrafico—Dinin] whose code in written messages is SIN-17. This office however, which allegedly has select personnel trained abroad, has not carried out any meaningful investigation yet, although it has total support from Government House and funds to carry out its work.

In Point 5 of the conclusions, the generals demonstrate their concern about the matter: "There still are coordination problems among the PNP organizations openly affecting the normal functioning of the National Antidrug Directorate... The integration of the intelligence organizations at a national level is imperative and it must include the criminal actions committed both in the cities and in the producing areas..."

"Financial and logistical support from the DEA [Drug Enforcement Agency] and other international organizations is necessary for the intensification of the antinarcotics

struggle." This is the proposal of General Jesus Sanchez Diaz Bocanegra, chief of the Antidrug Division (Dirandro). That is, without help it will be very difficult, not to say impossible, to disband drug trafficking gangs and networks.

As for common crimes, the generals reached the conclusion that "there has been a considerable increase in crimes like bounced checks, fraud, baby trafficking, robberies, and kidnappings as a result of the economic crisis."

The following section is indirectly connected with the Sunat [National Tax Administration Superintendency]. "The Fiscal Patrimony Directorate requires permanent coordination and support of regional units for the struggle against tax crimes." Although General Fernando Gamero has headed this unit for two years and also counts on the support of the dictator to carry out operations against smuggling, this illegal activity has not decreased.

The generals also state that the night guard service represents additional income for PNP personnel—their salaries as guards are greater than as policemen—and the men give it more dedication and importance, in detriment to their performance as policemen, "forcing the command to reconsider the situation. Municipalities consult retired policemen, the document states, and sometimes their behavior is disloyal because their actions go against PNP actions."

The document even warns that some of the candidates to the CCD [Democratic Constituent Congress] will suggest the municipalization of police services in the new constitution.

The generals also discussed other problems like the one mentioned in Point 10A, which states: "The considerable increase in illegal actions and serious disciplinary offenses committed by police officers and subordinates negatively affects the police institution and contributes to the deterioration of the PNP's prestige."

This really means they admit the existence of criminal police gangs that daily stop any vehicles to demand money under any pretext or that charge money to block any given investigation.

The generals also discussed the policy of commissions or assignments. For example, only officers and subordinates who do not have a "godfather" are commissioned to emergency zones. This is included in Section C, which states: "The lack of a defined policy to apply the assignment regulations and post changes does not allow the appropriate and timely solution of the police institution's needs and the well-being of its men."

The generals reached the conclusion that they "still do not have the appropriate organizational structure, and they lack an instance for assigning personnel."

Finally, they discussed economic matters. The police generals complain that they lack "autonomy in the administration of their budget allocations by not having legal status allowing them to purchase goods and services through public bids. This responsibility is concentrated in the Interior Ministry's General Administration Office," an office that, by the way, is commanded by military men.

The document adds: "The fiscal austerity applied by the government affects the PNP and it does not meet the needs of the police institution... The logistical resources allocated to the PNP through the normal and emergency national budgets are not enough to appropriately meet the institution's needs." It is impossible to be more clear than this. There are not enough resources.

These are only some of the points dealt with in the meeting among the police commanders that reflect the feelings of the institution that, after the arrest of Abimael Guzman, has perhaps reached its highest level of prestige in the last few years. However, it is evident that the institution is carrying out its work overcoming many limitations and with the mere support of overoptimistic presidential speeches demanding results the Armed Forces have not been able to obtain for some time.

'Subversives' Provide 'Valuable' Information

PA1211181292 Lima Panamericana Television Network in Spanish 0300 GMT 12 Nov 92

[Text] On 11 November, President Alberto Fujimori recognized the contribution of repentant subversives who have provided very valuable information leading to the capture of terrorists and the destruction of jungle camps.

[Begin Fujimori recording] The repented terrorists have been supplying very valuable information and have served as guides to locate the terrorists' camps, particularly Tupac Amaru Revolutionary Movement camps in Upper Huallaga. This information has enabled us to use helicopter gunships and destroy several camps, including one near Pampa Hermosa. The Shining Path is also involved. The information received from Shining Path deserters and guides helped us located a large camp in (?Vizcatan) in the jungle of Ayacucho, between 20 minutes and half an hour in helicopter from Rumirumi and Huayllay. The camp even had defense bulwarks. This is a very successful Peruvian Army operation, thanks to the so-called law of repentance. [end recording]

15 Injured MRTA Rebels Reportedly Surrender

PA1211202692 Lima Panamericana Television Network in Spanish 0300 GMT 12 Nov 92

[Text] The 24-hour deadline issued by the political and military commando of the MRTA [Tupac Amaru Revolutionary Movement] Huallaga front rebels to lay down their arms and surrender at the nearest military base ended on 12 November. Meanwhile, soldiers have continued to search the area of Pampa Hermosa in Upper Huallaga for the rebels.

The capture of the MRTA's main base in Yanayacu in the northeastern front has led the Army to increase the number

and intensity of its operations in the area of Pampa Hermosa. It has been reported that new air and ground operations have been prepared for 13 November to dismantle this group of terrorists completely. It was reported unofficially on 12 November that 15 subversives surrendered in the area of the main base. The political and military command neither confirmed nor denied the report, but it is said those who surrendered were injured and were left behind by the subversives. The Army still occupies the main base, which was well fitted with a kitchen, a hospital, resting area, sentry posts, and training area. Military patrols are chasing the MRTA columns and expect to have positive results in a few hours.

Venezuela

Students Clash With Police in Caracas; 4 Injured

PA1211225592 Paris AFP in Spanish 2229 GMT 12 Nov 92

[Text] Caracas, 12 Nov (AFP)—Four students were injured and 11 others arrested during demonstrations and clashes with police in Caracas on the first anniversary of the death of one of their fellow students.

Young people with their faces covered hurled stones and Molotov cocktails while police repelled them with birdshot and tear gas near the Pedagogical Institute [Instituto Pedagogico] in southwest Caracas.

The students commemorated the death of high school student Jimmy Hernandez, 17, who was run over by a bus last year when he protested in front of his school against a hike in public transportation fares.

After [word indistinct] Hernandez' death, six other high school students died in various protests, which prompted the Education Ministry to suspend classes for a month.

Senator Views Proposal for Presidential Term Cut

PA1311044292 Caracas Venezolana de Television Network in Spanish 2350 GMT 12 Nov 92

[Text] Senator Pedro Pablo Aguilar formally presented his proposal to the Supreme Electoral Council [CSE] for a third ballot to be included in the 6 December election. The ballot would decide whether to cut short President Carlos Andres Perez' constitutional term of office. After the Social Christian Party [Copei] withdrew its support for his proposal to encourage the president, and now the CSE, to include a third ballot in the December election, Senator Pedro Pablo Aguilar said that, despite the decision reached by the Copei National Directorate, he does not feel alone. He arrived at the CSE alone at noon, however, seeking an answer from the president of that body. He again explained the objectives of his proposal.

[Begin Aguilar recording] My proposal was not only directed at finding a political solution to the country's serious crisis, but also it was meant as a contribution to help Copei regain its credibility. Unfortunately, several party members, particularly the general secretary, have very poor credibility. I want to help them, to give a show of party unity. [end recording]

Isidro Morales, the president of the CSE, said the legal body was unable to reach a decision because the request was not addressed to it directly. Now there is one direct request presented by the Movement Toward Socialism and another by Senator Aguilar, and the agency must review them.

[Begin Morales recording] Mr. Aguilar has told me that he will present an alternate proposal or one that coincides with the other, for this body to examine, based on grounds he finds to be sound enough to attain his objective. This council will give serious consideration to all options and will probably report its decision on 17 November. As the Council is a group of several members, it must reach its decision as a group. [end recording]

On 17 November, we will definitely have a decision from the CSE on whether or not it is possible to include a third ballot in the 6 December election.

Senators View New Tax Law on Business Sector

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[Text] During a first debate, the Chamber of Deputies approved the tax bill on business sector assets.

Some of the deputies who voted in favor of passing this bill have noted it represents an important step in the framework of the tax reforms process.

Following party lines, the Social Christian Party [Copei] did not vote in favor of the bill.

[Begin Copei Deputy Haydee Castillo recording] Technically speaking, we disagree with the burden being put on businesses. We think a 2 percent tax on assets is too much. Medium- and small- sized businesses could be crushed by this kind of tax. [end recording]

Luis Manuel Esculpi, Movement Toward Socialism representative, and Carlos Canache Mata, Democratic Action representative, stated the approved bill is important because it taxes the country's most privileged sectors and prevents businesses that evade tax payments from evading taxes on liquid assets.

[Begin recording] [Esculpi] This appears to be a mechanism that could improve the collection of taxes, in this case, the collection of taxes from the country's important business sector, which has been evading tax payments.

[Canache Mata] This tax law on the business sector assets is fully justifiable because the private sector earns significant earnings. That sector, too, must contribute to resolve the grave fiscal problem the country is experiencing. [end recording]